



TikTok Technology Limited

DSA Assurance Report

Independent practitioner's assurance report concerning
Regulation (EU) 2022/2065, the Digital Services Act (DSA)

FINAL

9 September 2024



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Other information about this report

This assurance report provides an overview of the objectives, scope, and methodology employed during the assurance engagement. It presents the conclusions, highlighting areas of compliance and any instances of non-compliance that were identified.

The supporting appendices provide further details to support the assurance report. These include documentation of the specific assurance procedures followed, selections of evidence examined, and any additional procedures that support the conclusions drawn in the report.



TikTok Technology Limited

Registered Address

10 Earlsfort Terrace

Dublin

D02 T380

Management Statement

- “TikTok” was designated a very large online platform pursuant to Article 33 of Regulation (EU) 2022/2065 of the European Parliament and of the Council (the Digital Services Act or “DSA”) by way of Commission Decision of 25 April 2023.
- As the provider of the TikTok platform to recipients of the service within the European Union, TikTok Technology Limited is required by Article 37 DSA to undergo, at least once a year, an independent audit. In compliance with its Article 37 obligations and with the Commission Delegated Regulation laying down rules on the performance of audits for very large online platforms and very large online search engines, TikTok Technology Limited has undergone such an audit for the period 28-08-2023 – 30-06-2024 (“Evaluation Period”). To facilitate this audit, we have prepared this management statement (“Statement”).
- We, the board of directors of TikTok Technology Limited, are responsible for:
 - the determination of the applicability of each of the obligations and commitments during the Evaluation Period (i.e., selecting the Specified Requirements as defined within the audit report);
 - TikTok’s compliance with the Specified Requirements, in all material respects, by designing, implementing, and maintaining systems and manual processes (and related controls) in place to comply with the DSA;
 - the selection of the Specified Requirements, and making interpretations and developing benchmarks, as needed, to implement the Specified Requirements;
 - ensuring the evaluation and monitoring of TikTok’s compliance with the Specified Requirements;
 - this Statement of compliance with the Specified Requirements;
 - having a reasonable basis for this Statement;
 - preparing the Audit Implementation report referred to in Article 37(6) of the DSA, including the completeness, accuracy, and method of presentation;

TikTok Technology Limited

A private company limited by shares, registered in Ireland with company number 635755

Registered Office: 10 Earlsfort Terrace, Dublin D02 T380

Directors: CP Keenan, E McGovern (Fox), A Presser



- evaluating the Subject Matter (i.e., systems, (manual) processes and related controls) in relation to the Specified Requirements and for determining compliance with the DSA;
- making a redacted version of the DSA audit report public, at the latest, three months after the receipt of the report.
- TikTok's systems, (manual) processes and related controls were designed to meet the applicable Specified Requirements. TikTok followed these controls and (manual) processes during the Evaluation Period, in all material respects. We acknowledge the observations identified during the external audit. Observations were identified for Articles: **16(6), 17(1), 17(2), 18(1), 20(1), 20(4), 25(1), 27(1), 27(3), 38(1) and 39(2)**.
- We consider all obligations set out within Chapter III of the DSA to be in-scope for this assurance engagement (except for the Articles listed in Appendix 1 of this Management Statement).
- There was no occurrence in the Evaluation Period for: 14(2), 18(2), 22(1), 24(3) and 36(1).
- During the Evaluation Period, TikTok has received notice of proceedings from the European Commission pursuant to Article 66(1) in respect to the following obligations:
 - Article 28(1) Online protection of minors;
 - Article 34(1) Risk assessment;
 - Article 34(2) Risk assessment;
 - Article 35(1) Mitigation of risks;
 - Article 39(1) Additional online advertising transparency; and
 - Article 40(12) Data access and scrutiny.
- We declare, to the best of our knowledge, that the information in this statement is correct and complete.

Yours,

A handwritten signature in black ink that reads "Adam Presser".

Adam Presser

Date: 9 September 2024

For and on behalf of the board of directors of TikTok Technology Limited



Appendix 1:

- Article 13 Legal representatives;
- Article 14(3) Terms and Conditions - on the basis that TikTok is neither primarily directed at nor predominantly used by minors;
- Article 15(2) Transparency reporting obligations for providers of intermediary services;
- Article 15(3) Transparency reporting obligations for providers of intermediary services;
- Article 16(3) Statement of reasons;
- Article 17(5) Statement of reasons;
- Article 19 Exclusion for micro and small enterprises;
- Article 21 Out-of-court settlement bodies - on the basis that the development of the DSA out-of-court dispute settlement bodies process envisaged by Article 21 was still in its early stages during the Evaluation Period. Also, the EC had not published a list of appointed out-of-court dispute settlement bodies under Art 21(8) during the Evaluation Period;
- Article 22(2) Trusted flaggers;
- Article 22(3) Trusted flaggers;
- Article 22(4) Trusted flaggers;
- Article 22(5) Trusted flaggers;
- Article 22(6) Trusted flaggers - on the basis that TikTok has not received notices from Trusted Flaggers to develop an informed policy on what might constitute a “*significant number of insufficiently precise, inaccurate or inadequately substantiated notices*”.
- Article 22(7) Trusted flaggers;
- Article 22(8) Trusted flaggers
- Article 24(4) Transparency reporting obligations for providers of online platforms
- Article 24(6) Transparency reporting obligations for providers of online platforms
- Article 25(3) Online interface design and organisation



- Article 28(4) Online protection of minors
- Article 29 Exclusion for micro and small enterprises;
- Article 30 Traceability of traders;
- Article 31 Compliance by design;
- Article 32 Right to information;
- Article 33 Very large online platforms and very large online search engines;
- Article 35(2) Mitigation of risks;
- Article 35(3) Mitigation of risks;
- Article 36(2) Crisis response mechanism;
- Article 36(3) Crisis response mechanism;
- Article 36(4) Crisis response mechanism;
- Article 36(5) Crisis response mechanism;
- Article 36(6) Crisis response mechanism;
- Article 36(7) Crisis response mechanism;
- Article 36(8) Crisis response mechanism;
- Article 36(9) Crisis response mechanism;
- Article 36(10) Crisis response mechanism;
- Article 36(11) Crisis response mechanism;
- Article 37(4) Independent audit;
- Article 37(5) Independent audit;
- Article 37(6) Independent audit;
- Article 37(7) Independent audit;
- Article 40(1) Data access and scrutiny;
- Article 40(2) Data access and scrutiny;
- Article 40(3) Data access and scrutiny;



- Article 40(4) Data access and scrutiny;
- Article 40(5) Data access and scrutiny;
- Article 40(6) Data access and scrutiny;
- Article 40(7) Data access and scrutiny;
- Article 40(8) Data access and scrutiny;
- Article 40(9) Data access and scrutiny;
- Article 40(10) Data access and scrutiny;
- Article 40(11) Data access and scrutiny;
- Article 40(13) Data access and scrutiny;
- Article 42(4)(c) - on the basis that transmission of the audit report pursuant to Article 37(4) will be performed outside the Evaluation Period;
- Article 42(4)(d) - on the basis that transmission of the audit implementation report pursuant to Article 37(6) will be performed outside the Evaluation Period;
- Article 42(5) - on the basis that transmission of the audit report and audit implementation report pursuant to Article 37(4) will be performed outside the Evaluation Period;
- Article 43 Supervisory fee;
- Article 44 Standards;
- Article 45 Codes of conduct;
- Article 46 Codes of conduct for online advertising;
- Article 47 Codes of conduct for accessibility; and
- Article 48 Crisis protocols.



Independent practitioner's assurance report concerning Regulation (EU) 2022/2065, the Digital Services Act (DSA)

To: Management of TikTok Technology Limited

Scope

We have been engaged by TikTok Technology Limited (hereinafter: TikTok) to perform a 'reasonable assurance' engagement, as defined by International Standards on Assurance Engagements ('ISAE 3000 [Revised]') and the Commission Delegated Regulation (EU) supplementing Regulation (EU) 2022/2065 of the European Parliament and of the Council (the 'DSA' or 'Act'), by laying down rules on the performance of audits for very large online platforms and very large online search engines ('Delegated Regulation').

The purpose of the engagement is to evaluate TikTok's management statement (its 'Statement') on the systems and processes implemented to comply with the Act and to opine whether, in accordance with Article 37 of the Act, the systems and processes in place of their core platform service 'TikTok' (hereinafter: 'the Platform') (collectively the 'Subject Matter') were in compliance with each applicable obligation and commitment referred to in Article 37(1)(a) of the Act (the 'Audit Criteria') and the benchmarks provided by TikTok (together the 'Specified Requirements') during the period from 28 August 2023 through 30 June 2024 (the 'Evaluation Period'). Unless referenced otherwise, each applicable obligation and commitment is defined at the sub-article level.

Audit Opinion

Under Article 37(4)(g) of the Act, the conclusions on compliance with the Specified Requirements, individually and in the aggregate, must be phrased as '**Positive**', '**Positive with Comments**', or '**Negative**'. Article 8(6) of the Delegated Regulation requires the auditing organization to determine the overall opinion to be either:

- a) '**Positive**' if the auditing organization has reached a '**Positive**' audit conclusion for all the Specified Requirements;
- b) '**Positive with comments**' if the auditing organization has reached at least one conclusion that is '**Positive with comments**' for a Specified Requirement and has not reached a '**Negative**' conclusion for any of the Specified Requirements;
- c) '**Negative**' if the auditing organization has reached a '**Negative**' conclusion for at least one of the Specified Requirements.

Furthermore, Article 8(8) of the Delegated Regulation requires an explanation for individual Specified Requirements where an opinion was not able to be reached.

For each applicable commitment and obligation, refer to the conclusions detailed in [Appendix 1](#).

Our Negative opinion (Qualified)

In our opinion, except for the (possible) effects of the matters described below, TikTok complied with the applicable Specified Requirements during the Evaluation Period, in all material respects. This opinion equates to a '**Negative**' conclusion under Article 8(1) of the Delegated Regulation and a 'Qualified' conclusion as per the ISAE 3000 [Revised].

Basis for Negative opinion (Qualified)

We have expressed our conclusions for a total of 71 Specified Requirements. Our examination disclosed conditions that resulted in non-compliance above the audit materiality threshold, each indicated as '**Negative**' within [Appendix 1](#) and summarized below:

- 11 Specified Requirements that were **partially complied** with and that resulted in a '**Negative**' conclusion:

- *Article 16(6)* – Despite the fact that for all product features, notices were assessed against the Community Guidelines and/or Advertisement Policies (dependent on whether the content is user-generated or an advertisement, respectively), the legal moderation process was not implemented and/or operating effectively for one of the relevant product features during the Evaluation Period (i.e., non-auction ads). Consequently, any Article 16 notices concerning non-auction advertisement content were not assessed within TikTok’s specifically designed illegal content reporting process review flow, where these didn’t otherwise violate the Community Guidelines and/or Advertisement Policies.

Also, we were informed by TikTok that they could not provide sufficient and appropriate evidence to support the operating effectiveness of the monitoring controls concerning the interfaces between the notice intake mechanisms and the underlying moderation systems. As a result, we did not obtain sufficient and appropriate evidence to support the completeness of the total population of complaints from which a random selection was derived as part of our test procedures below.

- *Article 17(1) and 17(2)* – As a consequence of our observations for 16(6), we identified that the process for providing statements of reasons to recipients of the service for potential content moderation based specifically on illegality (i.e., advertisement content blocked in the EU) versus ad policy violations, was not implemented and operating effectively for one of the relevant product types (i.e., non-auction ads) during the Evaluation Period.
- *Article 18(1)* – We identified that, before 20 May 2024, a rationale was not consistently documented to justify the rationale for not escalating short-form video cases to law enforcement or judicial authorities of the Member State; and there were limitations to the data retained within the content moderation system after six months. As a result, we could not obtain sufficient evidence to assess the operating effectiveness of the process and confirm whether the assessment was performed according to the standard operating procedure (SOP).

In addition, we identified that new starters in the Emergency Response Team (ERT) commenced work before completing their mandatory training, under the supervision of an experienced ERT member. We did not obtain sufficient and appropriate audit evidence to verify these supervised ‘shadowing’ activities in order to confirm operating effectiveness throughout the entire Evaluation Period.

- *Article 20(1)* – In reference to the observation in section 16(6), we identified that a legal content moderation workflow was absent for a specific product category, namely non-auction advertisements. As a result, mechanisms to challenge decisions related to the legal content moderation of non-auction ads was not established. Therefore, throughout the Evaluation Period, affected recipients of the service were not provided with a platform to contest these particular decisions.
- *Article 20(4)* – We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the operating effectiveness of the monitoring controls concerning the interfaces between the complaint-handling intake mechanisms and the underlying moderation systems.

As a result, we did not obtain sufficient and appropriate evidence to support the completeness of the total population of complaints from which a random selection was derived as part of our test procedures below.

- *Article 25(1)* – We identified that, for one of the online interfaces in scope, the user journey ‘materially impairs the ability of the recipients of their service to make a free and informed decision’, as the existing procedure for closing a TikTok for Business account is significantly more cumbersome than signing up to it (recital 67).
- *Article 27(1)* – The options to modify or influence the main parameters used in TikTok’s recommender systems were not completely and accurately set out in the terms and conditions throughout the Evaluation Period. TikTok identified that one of the options in scope (‘Like’) was not included in the Terms of Service or linked transparency article during the Evaluation Period.

- *Article 27(3)* – Based on the substantive procedures we performed, we determined that the functionalities that allow recipients of the service to select and modify their preferred options (i.e., the main parameters) were visible and operational throughout the Evaluation Period. At a point in time in the Evaluation Period and for each of the preferred options, we determined that selecting and modifying the option did appropriately alter the performance of the underlying recommender systems. However, we were not able to determine, when selecting or modifying these options, that the performance of the recommender systems was appropriately altered throughout the entire Evaluation Period, as we could not obtain sufficient evidence to assess all the changes made to the recommender systems.
- *Article 38(1)* – We identified that for one of the recommender systems in scope ('Stories') an option not based on profiling was implemented in April 2024 and therefore this option was not available for the entire Evaluation Period.

Furthermore, we determined that, for each of the non-profiling options, at a point in time, the options did appropriately alter the performance of the underlying recommender systems (i.e., no profiling is used). However, we were not able to determine whether selecting or modifying these options affected the performance of the recommender systems during the entire Evaluation Period, as we could not obtain sufficient evidence to assess all the changes made to the recommender systems.

- *Article 39(2)* – We identified that the automated interface for specifically commercial communication content, designed to populate the advertisement repository (TikTok's 'Commercial Content Library' or 'CCL'), has not been operating effectively throughout the Evaluation Period. This has resulted in incomplete data integration of commercial communication content in the advertisement repository (CCL).

Furthermore, 54 Specified Requirements resulted in a '**Positive**' or a '**Positive with comments**' conclusion.

Moreover, we were unable to form an opinion on the following 6 Specified Requirements: 34(1), 34(2), 35(1), 28(1), 39(1) and 40(12). These are identified and described in [Appendix 1](#) for Specified Requirements with an indicator of '**Disclaimer**'.

We conducted our engagement in accordance with the following standards

We conducted our engagement in accordance with the NOREA Directive 3000A 'Assurance-opdrachten door IT-auditors (attest-opdrachten)' (Assurance engagements by IT auditors [attest engagements]), as issued by NOREA, the IT Auditors Association in the Netherlands, as well as the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 [Revised]'); the Commission Delegated Regulation (EU) supplementing Regulation (EU) 2022/2065 of the European Parliament and of the Council by laying down rules on the performance of audits for Very Large Online Platforms (VLOP) and Very Large Online Search Engines (VLOSE) dated 20 October 2023; and the terms in the engagement letter as agreed with TikTok on 18 December 2023.

We planned and performed our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter is in compliance with the Specified Requirements and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We have complied with the 'Reglement Gedragscode Register IT-Auditors' (Code of Ethics) of NOREA, the IT Auditors Association in the Netherlands, and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants including International Independence Standards, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Outlining the scope of our examination

Other than as described in the first paragraph of this report, which sets out the scope of our engagement, we did not perform assurance procedures on TikTok's compliance with codes of conduct



and crisis protocols (referred to in Article 37(1)(b) of the Act), because the requirement for TikTok to comply with such articles did not exist during the Evaluation Period, and, accordingly, we do not express an opinion on this information. We also did not perform assurance procedures on TikTok's compliance with the obligations listed in Appendix 1 of TikTok's Statement.

Furthermore, there have been no occurrences during the Evaluation Period for the following obligations: 14(2), 18(2), 22(1), 24(3) and 36(1). We only assessed the design of processes, systems and controls, and we did not perform any test procedures on the implementation and operating effectiveness for these obligations.

We are also not responsible for TikTok's interpretations of, or compliance with, laws, statutes, and regulations (outside of the Specified Requirements) applicable to TikTok in the jurisdictions within which TikTok operates; accordingly, we do not express an opinion or other form of assurance on TikTok's compliance or legal determinations.

The information that will be included in TikTok's audit implementation report as required following Article 37(6) will not be subject to the procedures applied in our engagement, and, accordingly, we express no opinion on it.

Inherent limitations

The services in the digital sector and the types of practices relating to these services can change quickly and to a significant extent. Therefore, projections of any evaluation to future periods are subject to the risk of changes.

The selected audit procedures depend on the service auditor's judgment, including the assessment of the risks that controls are not suitably designed or operating effectively, and are designed to obtain with reasonable assurance that the Specified Requirements will be achieved by means of the systems, processes, and controls.

Because of their nature, controls at an organization may not prevent, or detect and correct, all errors or omissions. There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention of controls. Because of their nature, controls may not always operate effectively to provide reasonable assurance that the Specified Requirements are achieved.

Our assurance engagement was limited to performing audit procedures on those aspects of TikTok's algorithmic systems that are relevant to complying with the Specified Requirements. This did not include all of the algorithmic systems that TikTok operates nor all aspects of the algorithmic systems for which we performed audit procedures. Algorithms may also not always operate consistently or at an appropriate level of precision to achieve their intended purpose. We do not express an opinion or any other form of assurance on the design, operation and monitoring of the algorithmic systems, except on those aspects of TikTok's algorithmic systems relevant to complying with the Specified Requirements.

Performing an audit risk assessment is a judgmental process. It is also often conducted at a point in time and cannot always anticipate risks arising from new or unprecedented events for which there is little or no historical information.

Restricted Users and purpose

This report is intended solely for the information and use of TikTok, and for the information of the European Commission (the 'Commission') and the Digital Services Coordinator of Ireland (i.e., 'Coimisiún na Meán') (collectively, the 'Specified Parties'), for assessing TikTok's compliance with the Specified Requirements and is not intended to be, and should not be, used and/or relied upon by anyone other than these Specified Parties or for other purposes.

As a result, the information in this report may not be suitable for another purpose. Any other party that obtains a copy and chooses to rely on it in any capacity does so at its own risk. KPMG accepts no



responsibility or liability for the use of this report other than for the purpose for which it has been prepared and accepts no responsibility or liability to other parties than TikTok, the Commission and the Digital Services Coordinator of Ireland (i.e., 'Coimisiún na Meán').

TikTok's responsibilities

The management of TikTok is responsible for:

- determining the applicability of each of the obligations and commitments during the Evaluation Period (i.e., selecting the Specified Requirements);
- TikTok's compliance with the Specified Requirements, in all material respects, by designing, implementing, and maintaining systems and manual processes (and related controls) in place to comply with the Act;
- selecting the Specified Requirements, and making interpretations and developing benchmarks, as needed, to implement the Specified Requirements;
- evaluating and monitoring TikTok's compliance with the Specified Requirements;
- its Statement of compliance with the Specified Requirements;
- having a reasonable basis for its Statement;
- preparing the Audit Implementation report referred to in Article 37(6) of the Act, including the completeness, accuracy, and method of presentation;
- evaluating the Subject Matter in relation to the Specified Requirements and for determining compliance;
- making a redacted version of this report public, at the latest, three months after the receipt of the report.

This responsibility includes establishing and maintaining internal controls, maintaining adequate records, such that it is free from material misstatement, whether due to fraud or error.

Our responsibilities

Our responsibility is to:

- plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, TikTok complies with each of the Specified Requirements as determined by TikTok;
- evaluate TikTok's Statement;
- form an independent opinion on whether TikTok is in compliance with each of the Specified Requirements and all of them in aggregate, based on the procedures we have performed and the evidence we have obtained;
- express our conclusions for each of the Specified Requirements and our opinion to TikTok;
- provide TikTok with recommendations for each of the Specified Requirements where the audit opinion is not 'Positive'.

We apply the 'Reglement Kwaliteitsbeheersing NOREA' (RKBN, Regulations for quality management systems) as well as the International Standard on Quality Management 1 (ISQM 1) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Description of procedures performed

Our work to assess TikTok's compliance with the Specified Requirements during the Evaluation Period included:

- obtaining an understanding of the characteristics of the services provided by TikTok in order to perform our audit risk analysis;
- evaluating the appropriateness and completeness of the Specified Requirements applied and their consistent application by means of an audit risk assessment;
- obtaining an understanding of the systems and processes implemented to comply with the DSA, including obtaining an understanding of the internal control environment relevant to our assurance engagement;
- identifying and evaluating whether TikTok's Statement of compliance with the Specified Requirements is incomplete and inaccurate, whether due to fraud or error, and designing and performing further assurance procedures responsive to those risks;
- obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusions and our opinion; we collected evidence between 18 December 2023 and 9 September 2024;
- identifying recommendations for each of the Specified Requirements where the audit opinion is not 'Positive'.
- Article 8(8) of the Delegated Regulation requires an explanation for individual Specified Requirements when it was not possible to reach an opinion. If we have a disclaimer of opinion on Specified Requirements, we have still applied the methodologies and performed the test procedures as required by the Delegated Regulation, DSA and the ISAE 3000 [Revised] standard. Only noted exceptions related to these performed procedures are included in Appendix 1.

More details concerning the methodologies and the test procedures that we have applied are included in [Appendix 2](#).

The specific test procedures we performed, along with the nature, timing, and results of those tests, are listed in the accompanying [Appendix 1](#). Additionally, our summary of the audit risk analysis pursuant to Article 9 of the Delegated Regulation, including the assessment of inherent, control and detection risk for each obligation, is included in [Appendix 5](#).

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for a 'Negative' opinion (Qualified).

Amstelveen, 9 September 2024

KPMG Advisory N.V.

Electronically signed by:

Koen Klein Tank
September 9 2024 12:59 PM +02:00



Koen Klein Tank MSc RE

Partner



Appendices to the Independent practitioner's assurance report

[Appendix 1](#) – Conclusions and test procedures per obligation

[Appendix 2](#) – Test procedures, sampling methodology and GITC

[Appendix 3](#) – Template for the audit report referred to in Article 6 of the Delegated Regulation

[Appendix 4](#) – Written agreement between TikTok and KPMG

[Appendix 5](#) – The audit risk analysis

[Appendix 6](#) – Documents attesting that KPMG complies with the obligations laid down in Article 37 (3), point (a), (b), and (c)

[Appendix 7](#) – Definitions

Appendix 1 – Conclusions and test procedures per obligation

Section 1 – Provisions applicable to all providers of intermediary services

| | | |
|---|---|---|
| Obligation: 11(1) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to designate a single point of contact to enable TikTok to communicate directly by electronic means, with Member States' authorities, the Commission and the Board referred to in Article 61 of the Act. Benchmark(s) used as provided by TikTok: <ul style="list-style-type: none"> - <i>Directly:</i> email allows users (i.e., Member States' authorities, the Commission and the Board referred to in Article 11 of the Act) to communicate directly with TikTok. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. Audit procedures, results and information relied upon: <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok's controls, under the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that TikTok designates a single point of contact to enable them to communicate directly, by electronic means, with Member States' authorities, the Commission, and the Board. 3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with the control owners; • inspected the relevant policy in which TikTok specifies the designation of a single point of contact to Member States' authorities, the Commission, and the Board to communicate with them; • inspected that the email address to communicate with the single point of contact designated by TikTok was placed online on their Transparency Center from the beginning of the Evaluation Period; • inspected that it was possible for Member States' authorities, the Commission, and the Board to communicate 'directly' with TikTok as per the benchmark provided by TikTok during the Evaluation Period; • inspected that the email address inbox was monitored during the Evaluation Period. 4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period. Changes to the audit procedures and/or systems and functionalities during the audit: N/A | | |

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| <p>Obligation: 11(2)</p> | <p>Specified Requirements:</p> <p>Audit criteria:</p> <p>Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall make public the information necessary to easily identify and communicate with TikTok's single point of contact and ensuring this information is easily accessible and kept up to date.</p> <p>Benchmarks used as provided by TikTok:</p> <ul style="list-style-type: none"> - <i>Easily accessible / easily identifiable:</i> Publicly available on TikTok's public websites called the 'Transparency Center' and the 'European Online Safety Hub'. The website can be located in multiple ways, including through the Terms of Service, where it is clearly marked. This is where Article 11(1) users would usually reasonably expect to find this type of information. | <p>Materiality threshold:</p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Conclusion:</p> <p>Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that TikTok makes public the information necessary to easily identify and communicate with their single point of contact. • Controls provide reasonable assurance that TikTok ensures that the information is easily accessible and kept up to date. 3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with the control owners; • inspected that TikTok has a policy in place concerning the designation and publication of the single point of contact and determined that this policy is appropriate to meet the Specified Requirements; • inspected that the email address of the single point of contact for Member States' authorities, and the Commission and the Board was published on the online interface of TikTok (i.e., on their Transparency Center) prior to the Evaluation Period; • inspected that the information provided is 'easily accessible' and 'easily identifiable' and determined that this was appropriate to meet the Specified Requirements as per the benchmark provided by TikTok; • inspected that the information is kept up to date during the Evaluation Period following a procedure concerning changes and the publishing of single point of contact information. 4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period. <p>Changes to the audit procedures and/or systems and functionalities during the audit:</p> <p>N/A</p> | | |

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| Obligation: 11(3) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to specify the official language or languages of the Member States that, in addition to a language broadly understood by the largest possible number of Union citizens, can be used to communicate with TikTok’s single points of contact, and which shall include at least one of the official languages of the Member State in which TikTok has its main establishment or where its legal representative resides or is established. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. | | |
| Audit procedures, results and information relied upon: <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, under the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that TikTok specifies the official language or languages of the Member States that, in addition to a language broadly understood by the largest possible number of Union citizens, can be used to communicate with their points of contact, and which shall include at least one of the official languages of the Member State in which the provider of intermediary services has its main establishment or where its legal representative resides or is established. 3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with the control owners; • inspected that a language that can be used for communication is English and that this is appropriate to meet the Specified Requirements as English is an official language of Ireland in which TikTok Technology Limited has its establishment. 4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period. | | |
| Changes to the audit procedures and/or systems and functionalities during the audit: N/A | | |

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| <p>Obligation: 12(1)</p> | <p>Specified Requirements:</p> <p>Audit criteria:</p> <p>Processes and controls are appropriately designed and operate effectively to designate a single point of contact to enable recipients of the service to communicate directly and rapidly with TikTok, by electronic means and in a user-friendly manner, including by allowing recipients of the service to choose the means of communication, which shall not solely rely on automated tools.</p> <p>Benchmarks used as provided by TikTok:</p> <ul style="list-style-type: none"> - <i>Directly and rapidly:</i> email allows users (i.e., recipients of the service) to communicate directly and rapidly with TikTok. - <i>User friendly:</i> ease of use experienced by the user when interacting with the mechanism for communicating with a service provider through their designated point of contact. | <p>Materiality threshold:</p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Conclusion:</p> <p>Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, under the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that TikTok designates a single point of contact to enable recipients of the service to communicate directly and rapidly with them, by electronic means and in a user-friendly manner, including by allowing recipients of the service to choose the means of communication, which shall not solely rely on automated tools. 3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with the control owners; • inspected that TikTok has a policy in place concerning the designation and publication of the single point of contact and determined that this policy is appropriate to meet the Specified Requirements; • inspected that the email address to communicate with the single point of contact designated by TikTok was placed online on their Transparency Center from the beginning of the Evaluation Period; • inspected that TikTok has a policy in place concerning the designation and publication of the single point of contact and determined that this policy is appropriate to meet the Specified Requirements; • inspected that recipients of the service could communicate ‘by electronic means’ and in a ‘user-friendly’ manner with TikTok as per the benchmark provided by TikTok during the Evaluation Period; • inspected system functionalities and identified that the ways of communication do not solely rely on automated tools, as no fully automated tools (i.e., bots) are being used to reply to incoming emails; • inspected that the email address inbox was monitored during the Evaluation Period. 4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period. | | |

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

Obligation:
12(2)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to make public the information necessary for recipients of the service to easily identify and communicate with their single point of contact and ensuring this information is easily accessible and kept up to date.

Benchmark(s) used as provided by TikTok:

- *Easily accessible / easily identifiable:* Publicly available on TikTok’s public websites called the ‘Transparency Center’ and also the ‘European Online Safety hub’. The website can be located in multiple ways, including through the Terms of Service, where it is clearly marked. This is where the Article 12 users would usually reasonably expect to find this type of information.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that TikTok makes public the information necessary for the recipients of the service to easily identify and communicate with their single points of contact.
 - Controls provide reasonable assurance that TikTok ensures that this information is easily accessible and kept up to date.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with the control operator;
 - inspected that TikTok has a policy in place concerning the designation and publication of the single point of contact and determined that this policy is appropriate to meet the Specified Requirements;
 - inspected that the email address of the single point of contact for recipients of the service was published on the online interface of TikTok (i.e., on their Transparency Center) prior to the Evaluation Period;
 - inspected that the information provided is ‘easily accessible’ and ‘easily identifiable’ and determined that this was appropriate to meet the Specified Requirements as per the benchmark provided by TikTok;
 - inspected that the information is kept up to date during the Evaluation Period following a procedure concerning changes and the publishing of single point of contact information.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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| <p>Obligation: 14(1)</p> | <p>Specified Requirements:</p> <p>Audit criteria:</p> <p>Processes and controls are appropriately designed and operate effectively to include information on any restrictions that TikTok imposes in relation to the use of their service in respect of information provided by the recipients of the service, in their terms and conditions. That information shall include information on any policies, procedures, measures, and tools used for the purpose of content moderation, including algorithmic decision-making and human review, as well as the rules of procedure of their internal complaint-handling system. It shall be set out in clear, plain, intelligible, user-friendly, and unambiguous language, and shall be publicly available in an easily accessible and machine-readable format.</p> <p>Benchmark(s) used as provided by TikTok:</p> <ul style="list-style-type: none"> - <i>Terms and conditions:</i> TikTok Technology Limited’s Terms of Service, including additional terms and policies that can apply: Community Guidelines, IP Policy, Music Terms, Commercial Music Library Terms, Branded Content Policy, Coins Policy, Rewards Policy, Business Terms, and Recommender System Help Center Article. - <i>Significant change:</i> a change which will have a material impact on users. A material impact imposes a new obligation on the user or varies an existing obligation. By way of example, this would include changes to what users are required to do on the Platform. - <i>Easily accessible:</i> accessible within the Terms of Service (which are themselves readily available on the TikTok web browser and within the app) or via a prominently located link within the Terms of Service. | <p>Materiality threshold:</p> <p><i>For the procedures where we relied on controls:</i></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> <p><i>For the substantive procedures:</i></p> <p>TikTok’s terms and conditions did not include the restrictions imposed in relation to the use of their service in respect of information provided by the recipients of the service as set out in the Specified Requirements.</p> |
| <p>Conclusion:</p> <p>Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that the terms and conditions contain all necessary information on policies, procedures, measures, and tools used for the purpose of content moderation, including algorithmic decision-making and human review, as well as the rules of procedure of their internal complaint-handling system. 3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed. As part of our procedures, we have: <ul style="list-style-type: none"> • inquired with control owners and were informed that the Terms of Service are reviewed on a yearly basis by TikTok Legal; furthermore, we were informed that TikTok Legal reviews the terms and conditions prior to publication in case of significant changes; • observed documentation and identified that the yearly review was performed before the Evaluation Period (i.e., prior to 28 August 2024). 4. We could not test the implementation and operating effectiveness of these controls as the annual review of the terms and conditions was not performed (i.e., non-occurrence) during the Evaluation Period. We therefore have performed the following substantive procedures: <ul style="list-style-type: none"> • observed that all relevant elements as defined under 14(1) are included in the terms and conditions: ‘information on any policies, procedures, measures and tools used for the purpose of content moderation, including algorithmic decision-making and human review, as well as the rules of procedure of the internal complaint-handling system’; | | |

- observed that the terms and conditions are set out in clear, plain, intelligible, unambiguous, user-friendly language following our own observation and by inspecting publications concerning the 'readability ease' by other external parties (i.e., regulators).
 - inspected the version control to determine that one significant change has been performed on the terms and conditions in scope as defined by TikTok during the Evaluation Period; furthermore, we identified that three non-significant changes have been performed on the terms and conditions during the Evaluation Period;
 - reviewed a random selection of changes and determined that TikTok Legal did review the change before it became effective (in case of a significant change) and that a confirmation was provided by TikTok Legal to confirm that they were aware of the change before it became effective (in case of a non-significant change);
 - observed that the terms and conditions are presented in a machine-readable format (i.e., HTML).
5. We confirmed that, after the Evaluation Period, there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures in addition to control test procedures because we identified that controls were not performed and/or not performed appropriately.

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| Obligation: 14(2) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to inform the recipients of the service of any significant change to the terms and conditions. Benchmark(s) used as provided by TikTok: <ul style="list-style-type: none"> - <i>Significant change:</i> a change which will have a material impact on users. A material impact is one that imposes a new obligation on the user or varies an existing obligation. By way of example, this would include changes to what users are not allowed to do on the Platform. - <i>Terms and Conditions:</i> TikTok Technology Limited's Terms of Service, including additional terms and policies that can apply: Community Guidelines, IP Policy, Music Terms, Commercial Music Library Terms, Branded Content Policy, Coins Policy, Rewards Policy, Business Terms, and Recommender System Help Center Article. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. | | |
| Audit procedures, results and information relied upon: <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that the Terms of Service as described under the 'Benchmark(s) used as provided by TikTok' are in scope for this obligation. 2. Identified that TikTok's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that recipients are informed of significant changes to the terms and conditions. 3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with control owners; | | |

- inspected an overview of hyperlinks and underlying pages considered to be in scope for Article 14, including an overview of the dates of the changes made to this page since the start of the Evaluation Period. Based on inquiry and inspection we determined that there was one significant change in the scope of the Evaluation Period;
 - inspected for the significant change identified, that this change was reviewed by TikTok’s Legal department and that recipients of the service were notified prior to the change becoming effective.
4. Made inquiries at the end of the Evaluation Period with management and confirmed that the significant change to the terms and conditions occurred in the period between our test procedures and the end of the Evaluation Period; furthermore, we confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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| Obligation: 14(4) | <p>Specified Requirements: <i>Audit criteria:</i></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall act in a diligent, objective and proportionate manner in applying and enforcing the restrictions referred to in Article 14(1), with due regard to the rights and legitimate interests of all parties involved, including the fundamental rights of the recipients of the service, such as the freedom of expression, freedom and pluralism of the media, and other fundamental rights and freedoms as enshrined in the Charter.</p> <p><i>Benchmark(s) used as provided by TikTok:</i></p> <ul style="list-style-type: none"> - <i>Terms and conditions:</i> TikTok Technology Limited’s Terms of Service, including additional terms and policies that can apply: Community Guidelines, IP Policy, Music Terms, Commercial Music Library Terms, Branded Content Policy, Coins Policy, Rewards Policy, Business Terms, and Recommender System Help Center Article. - <i>Diligent, objective and proportionate manner:</i> a diligent, objective and proportionate manner when applying and enforcing restrictions has three minimal components: i) the policies that are being enforced are available to the impacted user at the time of the infringement that led to the restriction of service; ii) the parties impacted by a restriction of service are informed of the legal basis for the restriction; iii) the parties impacted by the restriction of service have a right of appeal in respect to the decision to restrict the service, including where appropriate to an independent out-of-court settlement body. | <p>Materiality threshold:</p> <p><i>For the procedures where we relied on controls:</i></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> <p><i>For the substantive procedures:</i></p> <p>Deviations over 5% where cases do not meet the Specified Requirements, specifically where the Community Guidelines are not reviewed by TikTok legal before changes become effective.</p> |
| <p>Conclusion: Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Reason(s) for the conclusion: We identified that TikTok does not have internal controls yet to meet the Specified Requirements. This observation, however, does not lead to a risk of a material misstatement at the obligation level.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. | | |

2. Identified that TikTok does have control objectives that are sufficient and appropriate to meet the Specified Requirements. However, we also identified that TikTok does not have all the controls in place to support the control objectives.
3. Due to the observation of point (2), we have performed control test procedures for controls of other Articles supporting the Specified Requirements as well as performed additional substantive procedures.
4. We relied on our procedures performed for the following Articles to get appropriate and sufficient audit evidence to evaluate TikTok's systems and processes to meet the Specified Requirements:
 - Article 14(1) – All relevant elements as defined under Article 14(1) are included in the terms and conditions.
 - Article 14(1) – The terms and conditions are publicly available on the online interface of TikTok.
 - Article 14(2) – Recipients of the service are notified of any significant changes to the terms and conditions.
 - Article 14(5) – The terms and conditions are easily accessible, and a machine-readable summary is available.
 - Article 14(6) – The terms and conditions are available in all official languages of all the Member States in which TikTok offers their service.
 - Article 23(1) to 23(4) – Measures and protection against misuse are implemented and operate effectively.
 - Article 17(1) to 17(4) – For all product features, except for one, statements of reasons are being provided to recipients of the service.
 - Article 20(1) to 20(6) – Internal complaint-handling mechanisms are place and operate effectively.
5. We performed additional substantive procedures in which we have:
 - inspected the Community Guidelines and identified that these were reviewed before the changes became effective.

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures in addition to control test procedures (i.e., reliance on controls of other Articles) because the design of the controls was only partially sufficient and appropriate to meet the Specified Requirements.

Recommendations on specific measures:

We recommend TikTok to implement internal controls to support the application and enforcement of the restrictions referred to in Article 14(1), with due regard to the rights and legitimate interests of all parties involved, including the fundamental rights of the recipients of the service, such as the freedom of expression, freedom and pluralism of the media, and other fundamental rights and freedoms as enshrined in the Charter.

Recommended timeframe to implement specific measures:

1 September 2024 to 31 December 2024

Obligation:
14(5)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to provide recipients of services with a concise, easily accessible, and machine-readable summary of the terms and conditions, including the available remedies and redress mechanisms, in a clear and unambiguous language.

Benchmark(s) used as provided by TikTok:

- *Easily accessible:* accessible via a prominently located link within the corresponding Terms of Service.
- *Clear and unambiguous:* Using simple language, which makes it easy for users to understand e.g., using shorter sentences or clear sub-headings.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified the Terms of Service as described under the 'Benchmark(s) used as provided by TikTok' are in scope for this obligation.
2. Identified that TikTok's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance to provide recipients of services with a concise, easily accessible, and machine-readable summary of the terms and conditions, including the available remedies and redress mechanisms, in a clear and unambiguous language.
3. Tested the controls under the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - Inquired with control owners;
 - Inspected the published summary of terms and conditions and determined that it is easily accessible following the benchmark as provided by TikTok, is available in a machine-readable format (i.e., HTML) and includes information on remedies and the redress mechanism available to users.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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| <p>Obligation: 14(6)</p> | <p>Specified Requirements: <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to publish their terms and conditions in the official languages of all the Member States in which they offer their services.</p> <p><i>Benchmark(s) used as provided by TikTok:</i></p> <ul style="list-style-type: none"> - <i>Terms and Conditions:</i> TikTok Technology Limited's Terms of Service (ToS), including additional terms and policies that can apply: Community Guidelines, IP Policy, Music Terms, Commercial Music Library Terms, Branded Content Policy, Coins Policy, Rewards Policy, Business Terms, and Recommender System Help Center Article. | <p>Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Conclusion:</p> <p>Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that two Terms of Service are in scope for this obligation: 1) 'Conditions of Use and Sale' for buyers; and 2) 'TikTok Services Business Solutions Agreement' for sellers. 2. Identified that TikTok's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that the terms and conditions are published in the official languages of all the Member States in which TikTok offers its services. | | |

3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners;
 - inspected the terms and conditions in scope as provided by TikTok and determined that according to policies, all terms and conditions, including notifications (if applicable), and 'learn more' materials (if applicable) should be translated into the following 23 official languages: Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, and Swedish. We observed that, in addition, the terms and conditions are available in in Norwegian and Icelandic;
 - inspected the translation for a selection of changes to the terms and conditions;
 - inspected the collection of translation certificates and determined that these warrant the accuracy and completeness of the translation of the terms and conditions These are available in at least one official language of the Member States and are translated from English to the applicable languages.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

| Obligation: | Specified Requirements: | Materiality threshold: |
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| 15(1) | <p>Audit criteria:</p> <p>Processes and controls are appropriately designed and operate effectively to ensure that following information is accurately presented in the transparency report:</p> <ol style="list-style-type: none"> a) the number of orders received from Member States' authorities including orders issued in accordance with Articles 9 and 10, categorized by the type of illegal content concerned, the Member State issuing the order, and the median time needed to inform the authority issuing the order; b) the number of notices submitted in accordance with Article 16, categorized by the type of alleged illegal content concerned, the number of notices submitted by trusted flaggers, any action taken pursuant to the notices by differentiating whether the action was taken on the basis of the law or the terms and conditions of TikTok, the number of notices processed by using automated means and the median time needed for taking the action; c) the content moderation engaged in at TikTok's own initiative, including the use of automated tools, the measures taken to provide training and assistance to persons in charge of content moderation, the number and types of measures taken that affect the availability, visibility and accessibility of information provided by the recipients of the service and the recipients' ability to provide information through the service, and other related restrictions of the service; the information reported shall be categorized by the type of illegal content or violation of the terms and conditions of TikTok, by the detection method and by the type of restriction applied; d) the number of complaints received through the internal complaint-handling systems in accordance with TikTok's terms and conditions and, additionally, in accordance with Article 20, the basis for those complaints, decisions taken in respect of those complaints, the median time needed for taking those decisions and the number of instances where those decisions were reversed; e) any use made of automated means for the purpose of content moderation, including a qualitative description, a specification of the | <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |

precise purposes, indicators of the accuracy and the possible rate of error of the automated means used in fulfilling those purposes, and any safeguards applied.

Benchmark(s) used as provided by TikTok:

- *Easily accessible*: clearly available within TikTok’s Transparency Center, accessible through its website.
- *Clear and easily comprehensible*: using simple language, which makes it easy for users to understand e.g., using shorter sentences or clear sub-headings.

Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, under the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that TikTok’s transparency report is published at least once a year.
 - Controls provide reasonable assurance that TikTok’s transparency report is published in a machine-readable format and in an easily accessible manner.
 - Controls provide reasonable assurance that TikTok’s transparency report is clear and easily comprehensible.
 - Controls provide reasonable assurance that TikTok defines and identifies the source of information on the number of orders received from Member States’ authorities including orders issued in accordance with Articles 9 and 10, categorized by type of illegal content concerned.
 - Controls provide reasonable assurance that TikTok extracts and validates the information, prior to inclusion within the transparency report, on the number of orders received from Member States’ authorities including orders issued in accordance with Articles 9 and 10, categorized by type of illegal content concerned.
 - Controls provide reasonable assurance that TikTok’s transparency report includes information on the Member State issuing the order.
 - Controls provide reasonable assurance that TikTok defines and identifies the source for the calculation of the median time needed to inform the authority issuing the order, or any other authority specific in the order, of its receipt, and to give effect to the order.
 - Controls provide reasonable assurance that TikTok defines and identifies the source of information on the number of notices submitted in accordance with Article 16, categorized by the type of alleged illegal content concerned.
 - Controls provide reasonable assurance that TikTok extracts and validates the information, prior to inclusion within the transparency report, on the number of notices submitted in accordance with Article 16, categorized by the type of alleged illegal content concerned.
 - Controls provide reasonable assurance that TikTok defines the scope and source of information on the number of notices submitted by trusted flaggers.
 - Controls provide reasonable assurance that TikTok extracts and validates the information, prior to inclusion within the transparency report, on the number of notices submitted by trusted flaggers.
 - Controls provide reasonable assurance that TikTok defines the scope and source of information on any action taken pursuant to the notices by differentiating whether the action was taken on the basis of the law or the terms and conditions of TikTok.

- Controls provide reasonable assurance that TikTok extracts and validates the information, prior to inclusion within the transparency report, on any action taken pursuant to the notices by differentiating whether the action was taken on the basis of the law or the terms and conditions of TikTok.
- Controls provide reasonable assurance that TikTok's transparency report includes information on the number of notices processed by using automated means.
- Controls provide reasonable assurance that TikTok defines and identifies the source for the calculation of the median time needed for taking action (on notices processed in accordance with Article 16).
- Controls provide reasonable assurance that TikTok calculates and validates the median time needed for taking action (on notices processed in accordance with Article 16).
- Controls provide reasonable assurance that TikTok's transparency report includes information about the content moderation engaged in at TikTok's own initiative, including the use of automated tools, the number and types of measures taken that affect the availability, visibility, and accessibility of information through the service, and other related restrictions of the service.
- Controls provide reasonable assurance that TikTok's transparency report includes information about the measures taken to provide training and assistance to persons in charge of content moderation.
- Controls provide reasonable assurance that the transparency report includes information about the number and type of measures taken that affect the availability, visibility, and accessibility of information through the service, and other related restrictions of the service, categorized by the type of illegal content or violation of the terms and conditions of TikTok, by the detection method and by the type of restriction applied.
- Controls provide reasonable assurance that the information included in regard to the content moderation engaged in at the TikTok's own initiative is meaningful and comprehensible.
- Controls provide reasonable assurance that TikTok defines and identifies the source for the number of complaints received through the internal complaint-handling systems in accordance with the TikTok's terms and conditions.
- Controls provide reasonable assurance that TikTok extracts and validates the information, prior to inclusion within the transparency report, on the number of complaints received through the internal complaint-handling systems in accordance with the TikTok's terms and conditions.
- Controls provide reasonable assurance that TikTok defines and identifies the source of information on the basis for the complaints received through the internal complaint-handling systems in accordance with the TikTok's terms and conditions.
- Controls provide reasonable assurance that TikTok extracts and validates the information, prior to inclusion within the transparency report, on the basis for the complaints received through the internal complaint-handling systems in accordance with the TikTok's terms and conditions.
- Controls provide reasonable assurance that TikTok defines and identifies the source of information on decisions taken in respect of the complaints received through the internal complaint-handling systems in accordance with the TikTok's terms and conditions.
- Controls provide reasonable assurance that TikTok extracts and validates the information, prior to inclusion within the transparency report, on decisions taken in respect of the complaints received through the internal complaint-handling systems in accordance with the TikTok's terms and conditions.
- Controls provide reasonable assurance that TikTok defines and identifies the source for the calculation of the median time needed for taking those decisions.
- Controls provide reasonable assurance that TikTok calculates and validates the median time needed for taking those decisions.
- Controls provide reasonable assurance that TikTok defines and identifies the source of information on the number of instances where those decisions were reversed.

- Controls provide reasonable assurance that TikTok extracts and validates the information, prior to inclusion within the transparency report, on the number of instances where those decisions were reversed.
 - Controls provide reasonable assurance that TikTok's transparency report includes information on use made of automated means for the purpose of content moderation, including a qualitative description.
 - Controls provide reasonable assurance that TikTok's transparency report includes information on use made of automated means for the purpose of content moderation, including a specification of the precise purposes.
 - Controls provide reasonable assurance that TikTok defines and identifies the source of information on use made of automated means for the purpose of content moderation, including indicators of the accuracy and the possible error rate of error of the automated means used in fulfilling those purposes.
 - Controls provide reasonable assurance that TikTok extracts and validates the information, prior to inclusion within the transparency report, on use made of automated means for the purpose of content moderation, including indicators of the accuracy and the possible rate of error of the automated means used in fulfilling those purposes.
3. Tested the controls under the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
- inquired with control owners and were informed that two transparency reports have been published during the Evaluation Period; also, we were informed about the transparency reporting process that includes appropriate validation steps to meet the Specified Requirements including a review by TikTok Legal on the metrics scoping and interpretation document as well as the final transparency reports;
 - inspected the transparency report webpage (i.e., DSA Transparency Center) on which the reports can be downloaded and identified that both reports are published in PDF (i.e., machine-readable format);
 - inspected the transparency report webpage and identified that the transparency reports are easily accessible following the benchmark provided by TikTok;
 - observed the steps followed in preparing the transparency reports and determined that TikTok specified the metrics and the rationale for the choice of metrics; also, a legal interpretation of requirements in the relevant transparency reporting Articles (i.e., 15, 24 and 42) was provided and these were translated into specific metrics that were disclosed within the transparency report;
 - inspected the metrics scoping and interpretation document and determined that it covers requirements a) to e) of the audit criteria and identified that the calculation metrics logic was approved by TikTok Legal;
 - inspected, through one instance (i.e., metric in the transparency report) that validation steps are performed concerning the scripts used to generate the relevant metrics to ensure the completeness, accuracy, timeliness, consistency, uniqueness, and validity of the metrics included in the transparency reports. Each metric is addressed by a quality control template outlining how the quality control principles are addressed and validated by a data scientist and data engineer;
 - inspected, for both transparency reports, that the process to prepare the transparency reports included the approval from TikTok Legal to ensure that the metrics in the transparency reports are in line with the metrics scoping and interpretation document and that the metrics are complete and accurate;
 - inspected both transparency reports and identified that these are clear and easily comprehensible following the benchmark of TikTok;
 - reviewed a random selection of metrics, for both transparency reports, and re-performed the validation steps; we identified that the performed validation steps were appropriate to ensure the completeness and accuracy of the metrics in the transparency report.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

Section 2 – Additional provisions applicable to providers of hosting services, including online platforms

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| <p>Obligation: 16(1)</p> | <p>Specified Requirements: <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to allow any individual or entity to notify TikTok of the presence on their service of specific items of information that the individual or entity considers to be illegal content. Those mechanisms shall be easy to access and user friendly and shall allow for the submission of notices exclusively by electronic means.</p> <p><i>Benchmark(s) used as provided by TikTok:</i></p> <ul style="list-style-type: none"> - <i>Easy to access:</i> available on the content in question whether by clicking, holding, or pressing the share button. - <i>User friendly:</i> i) available through the existing mechanisms for making reports on the relevant content type; ii) is a webform that provides instructions; iii) provides a breakdown of categories through a drop-down; and/or iv) provides free text to facilitate capture of explanations. | <p>Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Conclusion: Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Reason(s) for the conclusion: We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, under the following control objectives, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that mechanisms are in place to allow any individual or entity to notify TikTok of the presence on their service of specific items of information that the individual or entity considers to be illegal content. • Controls provide reasonable assurance that these mechanisms are easy to access. • Controls provide reasonable assurance that these mechanisms are user friendly. • Controls provide reasonable assurance that these mechanisms allow for the submission of notices exclusively by electronic means. 3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with control owners and identified that two processes are in place concerning the ‘notice and action process’: one that focuses on advertisements (i.e., auction ads and non-auction ads) and one concerning all other product features (i.e., short-video, story, photos, comments, live, profile and link); • inspected, for both processes, the design of Standard Operating Procedures (SOP) in place and identified that these included appropriate steps to meet the Specified Requirements; | | |

- inspected through one instance, for both processes, the technical functionalities of submitting notices and identified that these are appropriate to meet the Specified Requirements;
 - inspected that these functionalities are easy to access, user friendly, and that the submission allows exclusively electronic means following the benchmark provided by TikTok;
 - inspected, by assessing the code configuration, that these notice intake mechanisms were in place from the beginning of the compliance period.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
 5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.
 6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
16(2)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to facilitate the submission of sufficiently precise and adequately substantiated notices. To that end, the providers of hosting services shall take the necessary measures to enable and to facilitate the submission of notices containing the following elements:

- a) a sufficiently substantiated explanation of the reasons why the individual or entity alleges the information in question to be illegal content;
- b) a clear indication of the exact electronic location of that information, such as the exact URL or URLs, and, where necessary, additional information enabling the identification of the illegal content adapted to the type of content and to the specific type of hosting service;
- c) the name and email address of the individual or entity submitting the notice, except in the case of information considered to involve one of the offenses referred to in Articles 3 to 7 of Directive 2011/93/EU (i.e., on combating the sexual abuse and sexual exploitation of children and child pornography);
- d) a statement confirming the bona fide belief of the individual or entity submitting the notice that the information and allegations contained therein are accurate and complete.

Benchmark(s) used as provided by TikTok:

- Sufficiently precise and adequately substantiated:
 - o contains a drop-down list of the categories of illegal content;
 - o contains a drop-down list of the relevant EU countries to select the appropriate jurisdiction;

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

- provides users with a free text option to provide details of the relevant law;
- requires users to provide free text explanation of the reasons of why the content is illegal;
- requires users to provide a statement that the notice and the allegations contained therein are accurate and complete.

Conclusion:

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Reason(s) for the conclusion:

We did assess that the mechanisms to report illegal content anonymously concerning Articles 3 to 7 of Directive 2011/93/EU (i.e., on combating the sexual abuse and sexual exploitation of children and child pornography) were operating effectively for iOS, Android, and the web browser; with the exception that it was required to provide an email address when reporting this type of content via the web browser when the user was not logged in on TikTok.

Furthermore, we were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.

These observations do not lead to a risk of a material misstatement at the obligation level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, under the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that the mechanisms facilitate sufficiently precise and adequately substantiated notices.
 - Controls provide reasonable assurance that TikTok takes the necessary measures to enable and facilitate notices containing a sufficiently substantiated explanation of the reasons why the individual or entity alleges the information in question to be illegal content.
 - Controls provide reasonable assurance that TikTok takes the necessary measures to enable and facilitate notices containing a clear indication of the exact electronic location of that information, such as the exact URL or URLs, and, where necessary, additional information enabling the identification of the illegal content adapted to the type of content and to the specific type of hosting service.
 - Controls provide reasonable assurance that TikTok takes the necessary measures to enable and facilitate notices containing the name and email address of the individual or entity submitting the notice, except in the case of information considered to involve one of the offenses referred to in Articles 3 to 7 of Directive 2011/93/EU.
 - Controls provide reasonable assurance that TikTok takes the necessary measures to enable and facilitate notices containing a statement confirming the bona fide belief of the individual or entity submitting the notice that the information and allegations contained therein are accurate and complete.
3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the ‘notice and action process’: one that focuses on advertisements (i.e., auction ads) and one concerning all other product features (i.e., short-video, story, photos, comments, live, profile and link);
 - inspected, for both processes, the design of Standard Operating Procedures (SOP) in place and identified that these included appropriate steps to meet the Specified Requirements;
 - inspected through one instance, for both processes, the technical functionalities of submitting notices and identified that these are appropriate to meet the Specified Requirements;

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| <ul style="list-style-type: none"> • inspected that these functionalities allow individuals or entities, except for the observations identified as described under ‘Reason for conclusion’, to submit notices with the following data: <ol style="list-style-type: none"> a) a sufficiently substantiated explanation of the reason via the drop-down functionality and free text box to provide why the individual or entity alleges the information in question to be illegal content; b) the exact location of that information is automatically determined (i.e., based on object ID) since the notice mechanism is triggered from the page that contains the potential illegal content; c) the name of the individual or entity submitting the notice has to be reported; the email address of the individual or entity submitting the notice is automatically determined if the user is logged on to TikTok; if they are not logged in, users and entities have to report their email address; d) a statement confirming the bona fide belief of the individual or entity submitting the notice that the information and allegations contained therein are accurate and complete via a checkbox; • observed the code configuration and identified that these notice intake mechanisms were in place from the beginning of the compliance period. <ol style="list-style-type: none"> 4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management. 5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope. 6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period. <p>Changes to the audit procedures and/or systems and functionalities during the audit: Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.</p> |
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| <p>Recommendations on specific measures:</p> <p>We recommend TikTok to update the functionality to report CSAM via the web browser, when logged out, to ascertain that individuals or entities can report CSAM content anonymously.</p> <p>Furthermore, we recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.</p> | <p>Recommended timeframe to implement specific measures:</p> <p>1 September 2024 to 30 June 2025</p> |
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| <p>Obligation: 16(4)</p> | <p>Specified Requirements:</p> <p><i>Audit criteria:</i></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that when TikTok has the electronic contact information of the individual or entity that submitted the notice, TikTok sends without undue delay a confirmation of the receipt of the notice to that individual or entity.</p> <p><i>Benchmark(s) used as provided by TikTok:</i></p> <ul style="list-style-type: none"> - <i>Without undue delay:</i> sent automatically when the decision is made; undue delay would be where this notification fails to automatically present. | <p>Materiality threshold:</p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
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| <p>Conclusion:</p> <p>Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> |
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Reason(s) for the conclusion:

We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.

This observation, however, does not lead to a risk of a material misstatement at the obligation level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, under the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that where the notice contains the electronic contact information of the individual or entity that submitted it, TikTok sends a timely confirmation of receipt of the notice to the individual or entity providing the notice.
3. Tested the processes and controls supporting the control objective above and identified that, except for the observations identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the ‘notice and action process’: one that focuses on advertisements (i.e., auction ads) and one concerning all other product features (i.e., short-video, story, photos, comments, live, profile and link);
 - inspected, for both processes, the design of Standard Operating Procedures (SOP) in place and identified that these included appropriate steps to meet the Specified Requirements;
 - inspected, through one instance for both processes, the technical functionalities of sending confirmations to individuals and entities of the receipt of the notice and identified that the submitters of the notice received the confirmation ‘without undue delay’ following the benchmark provided by TikTok;
 - inspected, by assessing the code configuration, that these mechanisms to report to the submitter of the notice the receipt of the notice, were in place from the beginning of the compliance period.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.
6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
16(5)

Specified Requirements:
Audit criteria:

Materiality threshold:
Internal controls are not sufficiently designed and/or

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| | <p>Processes and controls are appropriately designed and operate effectively to notify, without undue delay, the individual or entity of its decision in respect of the information to which the notice relates, providing information on the possibilities for redress in respect of that decision.</p> <p>Benchmark(s) used as provided by TikTok:</p> <ul style="list-style-type: none"> - <i>Without undue delay</i>: sent automatically when the decision is made; undue delay would be where this notification fails to automatically present. | <p>implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
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Conclusion:

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *

** Please note that we have only assessed the processes, systems and controls concerning the notice and action mechanism that were implemented from the start of the Evaluation Period. Please refer to 16(6) for our observations concerning the scope of the implemented notice and action mechanism.*

Reason(s) for the conclusion:

We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.

This observation, however, does not lead to a risk of a material misstatement at the obligation level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, under the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that, having made a decision, TikTok provides timely notification to that individual or entity of its decision in respect of the information to which the notice relates.
 - Controls provide reasonable assurance that information on the possibilities for redress is included within the notification provided to the individual or entity of the decision in respect of information to which the notice relates.
3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the ‘notice and action process’: one that focuses on advertisements (i.e., auction ads) and one concerning all other product features (i.e., short-video, story, photos, comments, live, profile and link);
 - inspected, for both processes, the design of Standard Operating Procedures (SOP) in place and identified that these included appropriate steps to meet the Specified Requirements;
 - inspected, through one instance for both processes, the technical functionalities of sending notifications to individuals and entities when a decision has been made and identified that these include:
 - TikTok’s decision in respect of the information to which the notice relates; and
 - the possibilities to redress in respect of the decision;
 - inspected that the submitter of the notice received the notification on the decision ‘without undue delay’ following the benchmark provided by TikTok;
 - inspected, by assessing the code configuration, that the mechanisms to report to the submitter of the notice information about the decision, were in place from the beginning of the compliance period.

4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.
6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
16(6)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall process any notices that they receive under the mechanisms referred to in Article 16(1) and take its decisions in respect of the information to which the notice relates, in a timely, diligent, non-arbitrary and objective manner. Where TikTok uses automated means for that processing or decision-making, they shall include information on such use in the notification referred to in Article 16.5.

Benchmark(s) used as provided by TikTok:

- *Timely*: no less than 80% of illegal content reports are processed within 72 hours.
- *Automated means*: systems that automatically decide whether notices received are adequately substantiated, or which automatically decide whether content is illegal based on those notices.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Negative – In our opinion, except for the effects of the non-compliance above the materiality threshold as described in the following paragraph, the Specified Requirements are met during the Evaluation Period, in all material respects.

Reason(s) for the conclusion:

Despite the fact that for all product features, notices were assessed against the Community Guidelines and/or Advertisement Policies (dependent on whether the content is user-generated or an advertisement, respectively), the legal moderation process was not implemented and/or operating effectively for one of the relevant product features during the Evaluation Period (i.e., non-auction ads).

Consequently, any Article 16 notices concerning non-auction advertisement content were not assessed within TikTok’s specifically designed illegal content reporting process review flow, where these didn’t otherwise violate the Community Guidelines and/or Advertisement Policies.

We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the operating effectiveness of the monitoring controls concerning the interfaces between the notice intake mechanisms and the underlying moderation systems. As a result, we did not obtain sufficient and appropriate

evidence to support the completeness of the total population of complaints from which a random selection was derived as part of our test procedures below.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, under the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that TikTok takes their decisions in a diligent, non-arbitrary and objective manner when deciding upon the information to which the notices relate.
 - Controls provide reasonable assurance that TikTok processes notices received under the mechanisms referred to in Article 16(1), the illegal content reporting mechanism, in a timely manner.
3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the ‘notice and action process’: one that focuses on advertisements (i.e., auction ads) and one concerning all other product features (i.e., short-video, story, photos, comments, live, profile and link); we were informed that both processes contain steps to assess the notices against the Community Guidelines as well as a legal moderation in case it doesn’t concern a Community Guideline violation, in which case the notices are assessed against (local) laws and regulations;
 - inspected, for both processes, the design of Standard Operating Procedures (SOP) in place and identified that these included appropriate steps to meet the Specified Requirements;
 - inspected and observed documentation of the DSA moderator training that has been provided to moderators prior to the Evaluation Period commencement date and identified that the training material covered the relevant elements;
 - reviewed a random selection of moderators and identified that the moderators followed the training prior to starting their DSA moderation activities;
 - inspected through one instance, for both processes, that TikTok took its decision in a timely, diligent, non-arbitrary and objective manner; where TikTok used automated means for that processing or decision-making, they included that information on such use in the notification.
 - reviewed a random selection of notices, for both processes, where TikTok decided on specific content that it considers illegal on the Platform and identified that:
 - a) the decisions were made in a diligent, non-arbitrary and objective manner following the relevant SOP;
 - b) the decisions were made in a timely manner, following the relevant SOP and the benchmark above.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

Recommendations on specific measures:

We recommend TikTok to implement the legal moderation step, in case the notice doesn’t violate the Community Guidelines, to assess against (local) laws and regulations for all relevant product features.

Furthermore, we recommend TikTok to implement effective monitoring controls, including a sufficient and appropriate audit trail, concerning the interfaces between the complaints intake mechanism and underlying content moderation systems.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
17(1) and 17(2)

Specified Requirements:
Audit criteria:

Materiality threshold:
Internal controls are not sufficiently designed and/or

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| | <p>Processes and controls are appropriately designed and operate effectively to ensure that TikTok provides a clear and specific statement of reasons to any affected recipients of the service for any of the following restrictions imposed on the ground that the information provided by the recipient of the service is illegal content or incompatible with their terms and conditions:</p> <ul style="list-style-type: none"> a) any restrictions of the visibility of specific items of information provided by the recipient of the service, including removal of content, disabling access to content, or demoting content; b) suspension, termination, or other restriction of monetary payments; c) suspension or termination of the provision of the service in whole or in part; d) suspension or termination of the recipient of the service's account. <p>The above shall only apply where the relevant electronic contact details are known to TikTok. It shall apply at the latest from the date that the restriction is imposed, regardless of why or how it was imposed. The above shall not apply where the information is deceptive high-volume commercial content.</p> <p>Benchmark(s) used as provided by TikTok:</p> <ul style="list-style-type: none"> - <i>Clear and specific:</i> a statement of reasons is 'clear, specific, easily comprehensible, precise and as specific as reasonably possible under the circumstances' where it provides the following information in respect to the decision: i) the decision; ii) the reason for the decision; iii) impacted market (in EU); iv) whether the decision was made by automated means; v) whether a proactive detection method identified the content; and vi) rights of redress. - <i>Deceptive high-volume commercial content:</i> when assessing whether information is 'deceptive high-volume commercial content' we understand 'deceptive' to include 'content disseminated through intentional manipulation of the service, in particular inauthentic use of the service such as the use of bots or fake accounts or other deceptive uses of the service (recital 55 of the Act). This includes what is colloquially known as spam. We understand 'high volume' to mean a large quantity in relative terms and this will depend on the context. We understand 'commercial' to mean content relating, directly or indirectly, to commerce. | <p>implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Conclusion:</p> <p>Negative – In our opinion, except for the effects of the non-compliance above the materiality threshold described in the following paragraph, the Specified Requirements are met during the Evaluation Period, in all material respects.</p> <p>Reason(s) for the conclusion:</p> <p>As a consequence of our observations for 16(6), we identified that the process for providing statements of reasons to recipients of the service for potential content moderation based specifically on illegality (i.e., advertisement content blocked in the EU) versus ad policy violations, was not implemented and operating effectively for one of the relevant product types (i.e., non-auction ads) during the Evaluation Period.</p> | | |

Other observation(s):

Also, we were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok's controls, under the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that a clear and specific statement of reasons is provided to all recipients of the service who are restricted on any grounds of illegal content or terms and conditions breaches.
 - Controls provide reasonable assurance that a clear and specific statement of reasons is provided to all recipients of the service whose content is removed, demoted or access to content is restricted.
 - Controls provide reasonable assurance that a clear and specific statement of reasons is provided to all recipients of the service whose monetary payments are suspended, terminated, or otherwise restricted.
 - Controls provide reasonable assurance that a clear and specific statement of reasons is provided to all recipients of the service whose use of the service is suspended or terminated in whole or in part.
 - Controls provide reasonable assurance that a clear and specific statement of reasons is provided to all recipients of the service whose account is suspended or terminated.
 - Controls provide reasonable assurance that a clear and specific statement of reasons is provided to all applicable recipients of the service who are restricted on grounds of illegal content or terms and conditions breaches from the date the restriction is imposed at the latest, regardless of why or how it was imposed.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the issuance of statements of reasons: one that focuses on advertisements (i.e., non-auction ads) and one concerning all other product features (i.e., short-video, comments, story, etc.);
 - inspected, for both processes, the design of Standard Operating Procedures (SOP) in place and identified that these included appropriate steps to meet the Specified Requirements;
 - inspected that statement of reasons templates are in place for each of the restrictions imposed as described in points (a) to (d) of the audit criteria and that these are reviewed by the TikTok Legal team;
 - inspected that TikTok did not have specific statement of reasons templates for deceptive high-volume content. Also, we are informed that TikTok does not have a specific moderation process for deceptive high-volume content and that this follows the standard moderation process;
 - reviewed a random selection of templates and identified that, when an update to the template was made, TikTok Legal reviewed the template prior to using the template for providing statement of reasons to affected recipients of the service;
 - inspected that the templates are clear and specific, following the benchmark as provided by TikTok, and identified that all information as required following Article 17(3) was included;
 - inspected, through one instance and for both processes, the automated functionalities for providing statements of reasons and identified that the reviewed templates are automatically selected and populated based on the restrictions imposed by TikTok (i.e., the decision) and other information in the moderation systems;
 - inspected, by assessing the code configuration, that these automated functionalities were in place from the beginning of the compliance period.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the

functionalities and the associated controls tested, specifically related to change management and identity access management.

5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to provide a statement of reasons to any affected recipients of the service for any of the restrictions described in the audit criteria, point (a) to (d) for all relevant product types.

Furthermore, we recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:

17(3) and 17(4)

Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that the statement of reasons referred to in Article 17(1) shall at least contain the following information:

- a) information on whether the decision entails either the removal of, the disabling of access to, the demotion of or the restriction of the visibility of the information, or the suspension or termination of monetary payments related to that information, or imposes other measures referred to in Article 17(1) with regard to the information, and, where relevant, the territorial scope of the decision and its duration;
- b) the facts and circumstances relied on in taking the decision, including, where relevant, information on whether the decision was taken pursuant to a notice submitted in accordance with Article 16 or based on voluntary own-initiative investigations and, where strictly necessary, the identity of the notifier;
- c) where applicable, information on the use made of automated means in taking the decision, including information on whether the decision was taken in respect of content detected or identified using automated means;
- d) where the decision concerns allegedly illegal content, a reference to the legal ground relied on and explanations as to why the information is considered to be illegal content on that ground;
- e) where the decision is based on the alleged incompatibility of the information with the terms and conditions of the provider of hosting services, a reference to the contractual ground relied on and explanations as to why the information is considered to be incompatible with that ground;
- f) clear and user-friendly information on the possibilities for redress available to the recipient of the service in respect of the decision, in particular, where applicable through internal complaint-handling mechanisms, out-of-court dispute settlement and judicial redress.

This information shall be clear and easily comprehensible and as precise and specific as reasonably possible under the given

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

circumstances. The information shall, in particular, be such as to reasonably allow the recipient of the service concerned to effectively exercise the possibilities for redress referred to in point (f).

- *Clear, easily comprehensible and precise and specific: a statement of reasons is 'clear, specific, easily comprehensible, precise and as specific as reasonably possible under the circumstances' where it provides the following information in respect to the decision: i) the decision; ii) the reason for the decision; iii) impacted market (in EU); iv) whether the decision was made by automated means; v) whether a proactive detection method identified the content; and vi) rights of redress.*

Conclusion:

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *

** Please note that we have only assessed the processes, systems and controls concerning the statement of reasons mechanism that were implemented from the start of the Evaluation Period. Please refer to 17(1) for our observations concerning the scope of the implemented statement of reasons mechanism.*

Reason(s) for the conclusion:

We identified that TikTok does not have sufficient General IT Controls (GITC) concerning the systems that support the automated controls in scope. Additional substantive procedures are performed to mitigate the risks associated with this observation to a sufficient level.

This observation, however, does not lead to a risk of a material misstatement at the obligation level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok's controls, under the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that the information provided contains information on whether the decision entails either the removal of the disabling of access to, the demotion of or the restriction of the visibility of the information, or the suspension or termination of monetary payments related to that information, or imposes other measures referred to in Article 17(1) with regard to the information, and, where relevant, the territorial scope of the decision and its duration.
 - Controls provide reasonable assurance that the information provided contains information on the facts and circumstances relied on in taking the decision, including, where relevant, information on whether the decision was taken pursuant to a notice submitted in accordance with Article 16 or based on voluntary own-initiative investigations and, where strictly necessary, the identity of the notifier.
 - Controls provide reasonable assurance that, where applicable, the information provided contains information on the use made of automated means in taking the decision, including information on whether the decision was taken in respect of content detected or identified using automated means.
 - Controls provide reasonable assurance that where the decision concerns allegedly illegal content, the information provided contains a reference to the legal ground relied on and explanations as to why the information is considered to be illegal content on that ground.
 - Controls provide reasonable assurance that where the decision is based on the alleged incompatibility of the information with the terms and conditions of the provider of hosting services, the information provided contains a reference to the contractual ground relied on and explanations as to why the information is considered to be incompatible with that ground.
 - Controls provide reasonable assurance that the information provided contains clear and user-friendly information on the possibilities for redress available to the recipient of the service in respect of the decision, in particular, where applicable through internal complaint-handling mechanisms, out-of-court dispute settlement and judicial redress.

3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the issuance of statements of reasons: one that focuses on advertisements (i.e., non-auction ads) and one concerning all other product features (i.e., short-video, comments, story, etc.);
 - inspected, for both processes, the design of Standard Operating Procedures (SOP) in place and identified that these included appropriate steps to meet the Specified Requirements;
 - inspected that statement of reasons templates included the information as described in points (a) to (f) of the audit criteria; we therefore determined that the statement of reasons was clear and specific, following the benchmark as provided by TikTok;
 - inspected, through one instance for both processes, the automated functionalities for providing statements of reasons and identified that the reviewed templates are automatically selected and populated based on the restrictions imposed by TikTok (i.e., the decision) and other information in the moderation systems;
 - inspected, by assessing the code configuration, that these automated functionalities were in place from the beginning of the compliance period;
 - reviewed a random selection of statements of reasons provided to recipients of the service and identified that these included the information as described in points (a) to (f) of the audit criteria; we thereby determined that the statements of reasons were clear and specific, following the benchmark as provided by TikTok.
4. Identified that formal General IT Controls (GITC), specifically related to change management and identity access management, are not in place for the relevant systems supporting the notice and action mechanisms and controls.
5. Due to the lack of formal GITC, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the notice intake mechanisms and associated controls in scope.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to
30 June 2025

Obligation:
18(1)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to inform the law enforcement or judicial authorities of the Member State, where TikTok becomes aware of any information giving rise to a suspicion that a criminal offense involving a threat to the life or safety of a person or persons has taken place, is taking place or is likely to take place.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Negative – In our opinion, except for the effects of the non-compliance above the materiality threshold described in the following paragraph, the Specified Requirements are met during the Evaluation Period, in all material respects.

Reason(s) for the conclusion:

We identified that, specifically for cases concerning short-video content that are not escalated to law enforcement or judicial authorities of the Member State, Emergency Response Team (ERT) members did not consistently document a rationale for assessed content before 20 May 2024.

Also, we were informed by TikTok that the content moderation system used by the ERT archives relevant data (i.e., videos) after six months. Consequently, we could not see sufficient evidence for these cases to assess the operating effectiveness of the process. Therefore, we could not evaluate, for all of the cases in our selection, whether the assessment was performed according to the standard operating procedure (SOP), as a sufficient and appropriate audit trail is missing.

Furthermore, we identified that when assessing content not created directly through the TikTok app (e.g., content created on other platforms and then uploaded onto TikTok) the content is flagged as 'upload'. When we were assessing cases that concerned upload, we identified that for specific cases, the imminency could not be detected by TikTok. Based on our observations concerning the lack of rationale, we could not assess whether such content was moderated according to the SOP, as a sufficient and appropriate audit trail is missing.

Also, we identified that new starters in the Emergency Response Team (ERT) commenced work before completing their mandatory training, under the supervision of an experienced ERT member. We did not obtain sufficient and appropriate audit evidence to verify these supervised 'shadowing' activities.

Because of the above observations, we could not obtain sufficient and appropriate audit evidence supporting the operating effectiveness throughout the entire Evaluation Period.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that where a provider of hosting services becomes aware of any information giving rise to a suspicion that a criminal offense involving a threat to the life or safety of a person or persons has taken place, is taking place or is likely to take place, it shall promptly inform the law enforcement or judicial authorities of the Member State or Member States concerned of its suspicion and provide all relevant information available.
3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with the control owners and determined that a specific team (i.e., Emergency Response Team – ERT) is in place to manage cases that concern the suspicion that a criminal offense involving a threat to the life or safety of a person or persons has taken place, is taking place or is likely to take place;
 - inspected the relevant Standard Operating Procedures (SOP) concerning managing suspicions of criminal offenses involving a threat to the life or safety of a person and the communication with the relevant law enforcement or judicial authorities of the Member State; we identified that the SOP are reviewed and approved on a quarterly basis and that these are appropriate to meet the Specified Requirements;
 - inspected the training procedures for ERT members and associated controls, which specify that new hires must complete all required training before performing moderation tasks;
 - observed through one instance, the review process and the associated controls, and identified that cases are assessed based on whether the threat is considered specific, credible, and imminent; when all three criteria are met, TikTok will notify the appropriate law enforcement or judicial authorities of the Member State and share the relevant supporting evidence;
 - reviewed a random selection of cases reviewed by TikTok and determined that for the cases for which the relevant information was available in the system:
 - the case was reviewed following the relevant SOP;
 - if applicable, the case was escalated to the relevant law enforcement or judicial authorities of the Member State;
 - the rationale is documented when the case was not escalated to the relevant law enforcement or judicial authorities of the Member State;

- inspected, through one instance, the weekly assessment of twenty ERT cases. If the ERT lead determines that a team member did not assess content according to the SOP, follow-up is conducted with the relevant team member;
 - reviewed a random selection of weeks and identified that the weekly assessment was appropriately performed throughout the Evaluation Period;
 - reviewed a random selection of communications containing updates on new trends, risks, or regulatory updates relating to ERT and identified that these contain relevant information for ERT team members to consider in their activities; we identified that during the Evaluation Period all communications were shared with the ERT members and documented internally;
 - observed the monthly global debrief of a case to all ERT members by the ERT lead to inform on ongoing issues, potential knowledge gaps and edge cases.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

Recommendations on specific measures:

We recommend TikTok to assess the possibilities to extend the period of retention for all ERT cases that are reviewed to enhance the audit trail duration.

Furthermore, we advise updating the SOP to include detailed guidelines on handling content that was uploaded by users via other platforms and document a clear rationale, including the steps taken as part of the assessment, when concluding that the ‘imminency’ could not be identified.

Additionally, we recommend to further document the supervised ‘shadowing’ process to demonstrate that an experienced ERT member was present during the cases reviewed by the new hire before completing all mandatory training.

Recommended timeframe to implement specific measures:

1 September 2024 to
31 December 2024

Obligation:
18(2)

Specified Requirements:
Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that where TikTok cannot identify with reasonable certainty the Member State concerned, it shall inform the law enforcement authorities of the Member State in which it is established or where its legal representative resides or is established or inform Europol, or both.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *

** Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.*

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, under the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that where TikTok cannot identify with reasonable certainty the Member State concerned, it shall inform the law enforcement authorities of the Member State in which it is established or where its legal representative resides or is established or inform Europol, or both.
3. Tested the controls under the control objective above and identified that these were suitably designed. As part of our audit procedures, we have:

- inquired with the control owners and were informed that a Law Enforcement Contact List is available and that if TikTok cannot identify with reasonable certainty which law enforcement or judicial authorities of the Member State to contact, or none of the listed contacts can be reached, Interpol or Europol are contacted;
 - inspected the relevant Standard Operating Procedures (SOP) regarding the ERT review process and determined that the Law Enforcement Contact List is available. This list provides contact details for 24/7 Emergency Contact Centers, individual emergency points of contact, specific police units and Law Enforcement Call Centers of all Member States. The SOP outlines the required number of contact attempts to aforementioned contacts. If the ERT member cannot identify with reasonable certainty which law enforcement or judicial authorities of the Member State to contact, or none of the listed contacts can be reached, Interpol is contacted.
 - observed the ERT review and communicating process and did not observe any instances in which the ERT member could not connect with the law enforcement authority or where the ERT member could not identify with reasonable certainty the Member State concerned.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

Section 3 – Additional provisions applicable to providers of online platforms

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| <p>Obligation: 20(1)</p> | <p>Specified Requirements: <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to provide recipients of the service, including individuals or entities that have submitted a notice, for a period of at least six months with access to an effective internal complaint-handling system that enables them to lodge complaints, electronically and free of charge, against the decision taken by TikTok upon the receipt of a notice or against the following decisions taken by TikTok on the grounds that the information provided by the recipients constitutes illegal content or is incompatible with its terms and conditions:</p> <ul style="list-style-type: none"> a) decisions whether or not to remove or disable access to or restrict visibility of the information; b) decisions whether or not to suspend or terminate the provision of the service, in whole or in part, to the recipients; c) decisions whether or not to suspend or terminate the recipients' account; d) decisions whether or not to suspend, terminate or otherwise restrict the ability to monetize information provided by the recipients. | <p>Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Negative – In our opinion, except for the effects of the non-compliance above the materiality threshold described in the following paragraph, the Specified Requirements are met during the Evaluation Period, in all material respects.</p> <p>Reason(s) for the conclusion: In reference to the observation in section 16(6), we identified that a legal content moderation workflow was absent for a specific product category, namely non-auction advertisements. Consequently, no mechanisms were established to challenge decisions related to content suppression (i.e., advertisement content blocked in a specific region) arising from legal content moderation actions. Therefore, throughout the Evaluation Period, affected parties were not provided with a platform to contest these particular decisions.</p> <p><i>Other observation(s):</i></p> | | |

Also, we were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that recipients of service have access to a free and effective electronic internal complaint-handling system to lodge complaints against decisions whether to remove or disable access to or restrict visibility of the information.
 - Controls provide reasonable assurance that recipients of service have access to a free and effective electronic internal complaint-handling system to lodge complaints against decisions whether to suspend or terminate the provision of the service, in whole or in part, to the recipients.
 - Controls provide reasonable assurance that recipients of service have access to a free and effective electronic internal complaint-handling system to lodge complaints against decisions whether to suspend or terminate the recipients' account.
 - Controls provide reasonable assurance that recipients of service have access to a free and effective electronic internal complaint-handling system to lodge complaints against decisions whether to suspend, terminate or otherwise restrict the ability to monetize information provided by the recipients.
3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the 'complaint-handling process': one that focuses on advertisements (i.e., auction ads) and one concerning all other product features (i.e., short-video, story, photos, comments, live, profile and link);
 - inspected, for both processes, the design of Standard Operating Procedures (SOP) in place and identified that these included appropriate steps to meet the Specified Requirements;
 - inspected, through one instance for both processes, for each of the in-scope complaint-handling mechanisms, technical functionalities for individuals and entities to submit complaints and confirmed that these meet the Specified Requirements, specifically points (a) to (d), and that these are free of charge;
 - inspected that the submission exclusively allows recipients of the service to lodge complaints electronically;
 - inspected, by assessing the code configuration, that the internal complaint-handling mechanisms were in place from the beginning of the compliance period.
 - observed, through one instance, that individuals or entities when their account is suspended, can submit complaints via the same complaint-handling mechanisms as users who can still access their notifications in the app;
 - observed, by assessing the code configuration, that for each of the internal complaint-handling mechanisms in scope, individuals and entities can submit complaints for at least six months following the decision.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

In relation to our recommendations on Article 16(6) and 17(1), we recommend TikTok to provide recipients of the service with a complaint-handling mechanism for all relevant product features.

Furthermore, we recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
20(2)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to provide recipients of the service, including individuals or entities that have submitted a notice, with access to an effective internal complaint-handling system for a period of at least six months starting on the day on which the recipient of the service is informed about the decision in accordance with Article 16(5) or Article 17.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *

** Please note that we have only assessed the processes, systems and controls concerning the internal complaint-handling mechanisms that were implemented from the start of the Evaluation Period. Please refer to 20(1) for our observations concerning the scope of the implemented internal complaint-handling mechanisms.*

Reason(s) for the conclusion:

We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.

This observation, however, does not lead to a risk of a material misstatement at the obligation level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that recipients of the service receive access to an effective internal complaint-handling system for at least six months following the recipient being informed of the decision.
3. Tested the processes and controls supporting the control objective above and identified that, except for the observations identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the ‘complaint-handling process’: one that focuses on advertisements (i.e., auction ads) and one concerning all other product features (i.e., short-video, story, photos, comments, live, profile and link); we were informed that recipients of the service for all these product features have the option to lodge a complaint for a period of at least six months starting on the day on which the recipient of the service is informed about the decision;
 - inspected, by assessing the code configuration, that for each of the internal complaint-handling mechanisms in scope, individuals and entities can submit complaints for at least six months following the decision.

4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
20(3)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that TikTok’s internal complaint-handling systems are easy to access, user-friendly and enable and facilitate the submission of sufficiently precise and adequately substantiated complaints.

Benchmark(s) used as provided by TikTok:

- *Easy to access and user friendly:* i) the mechanism is available by a one-click appeal button; and ii) user notifications contain a link to a webpage setting out our appeal rules and explaining the appeals process in a way that is easy to understand.
- *Sufficiently precise and adequately substantiated notices:* Sufficiently precise and adequately substantiated complaints are enabled where they:
 - o Identify the relevant content or account
 - o Identify the moderation decision the subject of the complaint/appeal; and
 - o Identify the basis on which the relevant content was restricted - e.g., the applicable Community Guidelines rule or local law violation leading to the moderation decision.

For complaints relating to content or accounts restricted due to Community Guidelines violations this is achieved via a one touch appeal mechanism that automatically captures the above information.

For complaints relating to content that is restricted due to local law violations under Article 16, this is achieved via a one touch appeal mechanism that automatically captures the above information and provides an option for users to include further information about the local law violation under appeal.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *

** Please note that we have only assessed the processes, systems and controls concerning the internal complaint-handling mechanisms that were implemented from the start of the Evaluation Period. Please refer to 20(1) for our observations concerning the scope of the implemented internal complaint-handling mechanisms.*

Reason(s) for the conclusion:

We identified that for appeals that concern a Community Guideline violation, there is no option for content creators (recipients of the service) to choose a reason (e.g., via a dropdown) or provide a reason via a textbox when submitting a complaint. We identified that for Community Guidelines-related appeals, content creators can only request another review. However, there is no free text option or equivalent functionality.

This observation, however, does not lead to a risk of a material misstatement at the obligation level.

Other observation(s):

Also, we were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that the internal complaint-handling system is easy to access, user-friendly, and enables and facilitates the submission of sufficiently precise and adequately substantiated complaints.
3. Tested the processes and controls supporting the control objectives above and identified that except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the complaint-handling process: one that focuses on advertisements (i.e., auction ads) and one concerning all other product features (i.e., short-video, story, photos, comments, live, profile and link);
 - inspected, for both processes, the design of Standard Operating Procedures (SOP) in place and identified that these included appropriate steps to meet the Specified Requirements;
 - inspected, through one instance for both processes, for each of the in-scope complaints intake mechanisms, the technical functionalities for individuals and entities to submit complaints and identified that these were easy to access and user friendly following the benchmark as provided by TikTok;
 - inspected that these intake mechanisms facilitate the submission of sufficiently precise and adequately substantiated complaints, for example, giving individuals and entities the option to use choose the reason for the appeal by means of radio buttons in combination with open text boxes;
 - observed, by assessing the code configuration, that these internal complaint-handling systems were in place from the beginning of the compliance period.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

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| <p>Recommendations on specific measures:</p> <p>We recommend TikTok to assess, e.g., by evaluation good practices in the industry, whether TikTok should implement a functionality for uploaders (creators) to facilitate the submission of sufficiently precise and adequately substantiated complaints (e.g., by means of a textbox or dropdown).</p> <p>Furthermore, we recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.</p> | <p>Recommended timeframe to implement specific measures:</p> <p>1 September 2024 to 30 June 2025</p> |
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| <p>Obligation: 20(4)</p> | <p>Specified Requirements:</p> <p>Audit criteria:</p> <p>Processes and controls are appropriately designed and operate effectively to ensure that TikTok handles complaints submitted through their internal complaint-handling system in a timely, non-discriminatory, diligent, and non-arbitrary manner. Where a complaint contains sufficient grounds for TikTok to consider that its decision not to act upon the notice is unfounded, or that the information to which the complaint relates is not illegal and is not incompatible with its terms and conditions or contains information indicating that the complainant's conduct does not warrant the measure taken, it shall reverse its decision referred to in Article 20(1) without undue delay.</p> <p>Benchmark(s) used as provided by TikTok:</p> <ul style="list-style-type: none"> - <i>Timely:</i> no less than 80% of illegal content reports are processed within 72 hours; - <i>Non-discriminatory, diligent, and non-arbitrary:</i> following the standard operating procedure, thereby processing the notice in a diligent, non-arbitrary and objective manner. - <i>Without undue delay:</i> decisions ought to be reversed automatically following the entry of the appeal reversal decision by the relevant moderator in TikTok's content moderation compliance platform. 'Undue delay' would be where this automated action fails to occur. | <p>Materiality threshold:</p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
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| <p>Conclusion:</p> <p>Negative – In our opinion, except for the effects of the non-compliance above the materiality threshold described in the following paragraph, the Specified Requirements are met during the Evaluation Period, in all material respects. *</p> <p><i>* Please note that we have only assessed the processes, systems and controls concerning the internal complaint-handling mechanisms that were implemented from the start of the Evaluation Period. Please refer to 20(1) for our observations concerning the scope of the implemented internal complaint-handling mechanisms.</i></p> <p>Reason(s) for the conclusion:</p> <p>We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the operating effectiveness of the monitoring controls concerning the interfaces between the complaint-handling intake mechanisms and the underlying moderation systems.</p> <p>As a result, we did not obtain sufficient and appropriate evidence to support the completeness of the total population of complaints from which a random selection was derived as part of our test procedures below.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements: |
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- Controls provide reasonable assurance that TikTok reverses its decision without undue delay where a complaint contains sufficient grounds for TikTok to consider that its decision not to act upon the notice is unfounded or that the information to which the complaint relates is not illegal and is not incompatible with its terms and conditions; or contains information indicating that the complainant's conduct does not warrant the measure taken.
 - Controls provide reasonable assurance that complaints submitted through TikTok's internal complaint-handling system are processed in a timely, non-discriminatory, diligent, and non-arbitrary manner.
3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
- inquired with control owners and identified that two processes are in place concerning the complaint-handling process: one that focuses on advertisements (i.e., auction ads) and one concerning all other product features (i.e., short-video, story, photos, comments, live, profile and link);
 - inspected, for both processes, the design of Standard Operating Procedures (SOP) in place and identified that these included appropriate steps to meet the Specified Requirements;
 - inspected through one instance, for both processes, that TikTok handled the complaint submitted through their internal complaint-handling system in a timely, non-discriminatory, diligent, and non-arbitrary manner following the benchmarks as provided by TikTok; we identified that TikTok reversed its decision for one of the processes for the selected instance, without undue delay, following the benchmark provided by TikTok, when they noticed that their decision was unfounded; we identified that the decision was not reversed for the instance that we selected for the other process;
 - reviewed a random selection of submitted complaints, for both processes, where TikTok decided as referred to in Article 20(1) and identified that:
 - a) the decisions were made in a diligent, non-arbitrary and objective manner following the relevant SOP;
 - b) the decisions were made in a timely manner, following the relevant SOP and the benchmark as provided by TikTok;
 - c) the decision was reserved if TikTok considered their decision to be unfounded without undue delay following the benchmark as provided by TikTok.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

Recommendations on specific measures:

We recommend TikTok to implement monitoring controls concerning the interfaces between the complaints intake mechanism and underlying content moderation systems.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
20(5)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall inform complainants without undue delay of their reasoned decision in respect of the information to which the complaint relates and of the possibility of out-of-court dispute settlement provided in Article 21 and other available possibilities for redress.

** Please note: The development of the DSA out-of-court dispute settlement bodies process envisaged by Article 21 of the Act is still in its early stages and is a work in progress at EC level. Also, the Commission has not yet published a list of appointed out-of-court dispute settlement bodies under Article 21(8) during the Evaluation Period. Therefore, we have not tested the specific obligation to inform*

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

about the possibilities to resolve disputes by selecting an out-of-court dispute settlement body.

Benchmark(s) used as provided by TikTok:

- *Without undue delay*: sent automatically when the reversal decision is made; undue delay would be where this notification fails to automatically present.

Conclusion:

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *

** Please note that we have only assessed the processes, systems and controls concerning the internal complaint-handling mechanisms that were implemented from the start of the Evaluation Period. Please refer to 20(1) for our observations concerning the scope of the implemented internal complaint-handling mechanisms.*

Reason(s) for the conclusion:

We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.

This observation, however, does not lead to a risk of a material misstatement at the obligation level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that TikTok informs complainants in a timely manner of their reasoned decision and of their options for out-of-court and judicial dispute settlement.
 - Controls provide reasonable assurance that TikTok informs complainants in a timely manner of options for out-of-court and judicial dispute settlement.
3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the complaint-handling process: one that focuses on advertisements (i.e., auction ads) and one concerning all other product features (i.e., short-video, story, photos, comments, live, profile and link);
 - inspected, through one instance for both processes, the technical functionalities to inform individuals and entities of their reasoned decision in respect of the information to which the complaint relates and identified that these are appropriate to meet the Specified Requirements;
 - inspected, through one instance for both processes, the technical functionalities of informing complainants of their decision in respect of the information to which the complaint relates and identified that the reason for the decision is included;
 - inspected, through one instance for both processes, that for each of the in-scope complaints handling mechanisms, the technical functionalities ensure that they inform individuals and entities without undue delay following the benchmark as provided by TikTok;
 - observed, by assessing the code configuration, that these internal complaint-handling systems were in place from the beginning of the compliance period.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
20(6)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that the decisions, referred to in 20(5), are taken under the supervision of qualified staff, and not solely on the basis of automated means.

Benchmark(s) used as provided by TikTok:

- *Automated means*: systems that automatically decide whether content is illegal or incompatible with the terms and conditions, without human supervision.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *

** Please note that we have only assessed the processes, systems and controls concerning the internal complaint-handling mechanisms that were implemented from the start of the Evaluation Period. Please refer to 20(1) for our observations concerning the scope of the implemented internal complaint-handling mechanisms.*

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that complaints submitted through TikTok’s complaint-handling system are not processed through solely automated means and are under the supervision of qualified staff.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and identified that two processes are in place concerning the complaint-handling process: one that focuses on advertisements and commercial content and one concerning all other product features; furthermore, we identified that for both processes moderators are trained by means of a moderation training prior to commencing their moderation activities;
 - inspected and observed documentation of the DSA moderator training that has been provided to moderators prior to the Evaluation Period commencement date and identified that the training material covered the relevant elements;
 - reviewed a random selection of moderators and identified that the moderators followed the training prior to starting their DSA moderation activities; thereby, we determined that moderation activities concerning complaints are performed under the supervision of qualified staff;
 - inspected, as part of our procedures for 21(4), that decisions are not solely based on automated means following the benchmark as provided by TikTok.

Changes to the audit procedures and/or systems and functionalities during the audit:

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| Obligation: 22(1) | Specified Requirements: Audit criteria: Technical and organizational measures are appropriately designed and operate effectively to ensure that notices submitted by trusted flaggers, acting within their designated area of expertise, through the mechanisms referred to in Article 16, are given priority and are processed and decided upon without undue delay. Benchmark(s) used as provided by TikTok: - <i>Without undue delay:</i> no less than 80% of illegal content reports are processed within 72 hours. | Materiality threshold: Trusted flaggers cannot submit notices or notices submitted by trusted flaggers are not prioritized and/or not decided upon without undue delay. |
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Conclusion:

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects *.

** Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.*

Reason(s) for the conclusion:

We identified that TikTok does not have internal controls to meet the Specified Requirements. This observation, however, does not lead to a risk of a material misstatement at the obligation level as substantive procedures are performed.

Audit procedures, results and information relied upon:

1. Inquired with the process owners about the trusted flaggers process and identified that no trusted flagger notices were received in the Evaluation Period.
2. Conducted a walk-through to understand how TikTok prioritizes notices submitted by trusted flaggers to meet the Specified Requirements.
3. Inspected the design of the trusted flaggers process that ensures that notices submitted by trusted flaggers, through the mechanisms referred to in Article 16, are given priority and are processed and decided upon without undue delay.
4. Inspected the design of the content moderation systems that support Article 16 and identified that notices submitted by trusted flaggers are priorities (i.e., they will appear on top of the moderation queue).

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures instead of control test procedures due to the lack of internal controls.

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| Recommendations on specific measures: We recommend TikTok to implement internal controls to support the trusted flaggers process. | Recommended timeframe to implement specific measures: 1 September 2024 to 31 December 2024 |
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| Obligation: 23(1) | Specified Requirements: Audit criteria: Technical and organizational measures are appropriately designed and operate effectively to facilitate the suspension, for a reasonable period of time and after having issued a prior warning, of the | Materiality threshold: The technical and organizational measures are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation |
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| | <p>provision of their services to recipients of the service that frequently provide manifestly illegal content.</p> <p>Benchmark(s) used as provided by TikTok:</p> <ul style="list-style-type: none"> - <i>Reasonable period:</i> when sufficient strikes have been reached, and subsequent to a warning being issued to the user, the 'reasonable period' for suspension of services is a permanent account ban, with the option to appeal the ban. - <i>Frequently:</i> the benchmark for 'frequently' is that, within a 90-day period, a user provides cumulatively multiples instances of manifestly illegal content according to TikTok's standard operating procedures. | <p>Period to meet the Specified Requirements.</p> |
| <p>Conclusion:</p> <p>Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Reason(s) for the conclusion:</p> <p>We identified that TikTok does not have internal controls to meet the Specified Requirements. Furthermore, we were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level. Therefore, these observations do not lead to a risk of a material misstatement at the obligation level.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through and identified that an Account Gradient System (AGS) is in place to support the process of suspending, for a reasonable period of time and after having issued a prior warning, the provision of their service to recipients of the service that frequently provide manifestly illegal content. 2. Inspected, through one instance, that the AGS determines whether the account or certain features of the account should be suspended for a reasonable period of time based on 1) the severity of the violation of the content policies; and 2) the number of times that the account violates the content policies, after having issued a prior warning. The AGS system automatically processes the suspension based on the events flagged by the content moderation systems. 3. Inspected, through one instance, that the AGS automatically sends out a warning when a specific violation threshold was met. 4. Inspected that AGS suspends, for a reasonable period of time following the benchmark as provided by TikTok, the provision of their services to recipients of the service that frequently provide manifestly illegal content; 5. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management. 6. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope. <p>Changes to the audit procedures and/or systems and functionalities during the audit:</p> <p>We performed substantive procedures instead of control test procedures due to the lack of internal controls. Furthermore, additional substantive procedures were performed to mitigate the observations under point (5) to a sufficient level.</p> | | |
| <p>Recommendations on specific measures:</p> <p>We recommend TikTok to implement internal controls to support the 'measures and protection against misuse' process.</p> | <p>Recommended timeframe to implement specific measures:</p> | |

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| <p>Furthermore, we recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.</p> | <p>1 September 2024 to 30 June 2025</p> |
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| <p>Obligation: 23(2)</p> | <p>Specified Requirements: <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall suspend, for a reasonable period of time and after having issued a prior warning, the processing of notices and complaints submitted through the notice and action mechanisms and internal complaints-handling systems referred to in Articles 16 and 20, respectively, by individuals or entities or by complainants that frequently submit notices or complaints that are manifestly unfounded.</p> | <p>Materiality threshold: Deviations over 5% where cases do not meet the Specified Requirements.</p> |
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| <p>Conclusion: Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *</p> <p><i>* Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.</i></p> <p>Reason(s) for the conclusion: We identified that TikTok does not have internal controls to meet the Specified Requirements. This observation, however, does not lead to a risk of a material misstatement at the obligation level.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Inquired with TikTok and were informed that TikTok periodically monitors the volumes of illegal content reports that their moderators consider to be manifestly unfounded, but that the volumes of reported manifestly unfounded content during the Evaluation Period do not seriously risk undermining trust and harming the rights and legitimate interests of users in the manner envisaged by recital 63 of the Act. TikTok informed us that their approach is guided by Human Rights Principles of necessity and proportionality, and more tangible, by the low volumes of reported notices and complaints, compared to their operational capacity of their systems for processing notices and complaints. Therefore, TikTok did not suspend the processing of notices or complaints, either for illegal content reporting, or for Community Guidelines reporting during the Evaluation Period as they do not distinguish in their moderation processes between manifestly unfounded notices and regulator notices. 3. We identified, as part of the audit procedures performed for Article 16 and 20, that TikTok could manage the volumes of notices and complaints during the Evaluation Period. 4. Based on the above and applying our professional judgment, we identified that TikTok processed notices and complaints in a way that respects the rights and legitimate interests of all parties involved, including the applicable fundamental rights and freedoms as enshrined in the Charter, in particular the freedom of expression. <p>Changes to the audit procedures and/or systems and functionalities during the audit: We performed substantive procedures instead of control test procedures due to the lack of internal controls.</p> | |
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| <p>Recommendations on specific measures: We recommend TikTok to implement internal controls to support the 'measures and protection against misuse' process.</p> | <p>Recommended timeframe to implement specific measures: 1 September 2024 to 30 June 2025</p> |
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| <p>Obligation: 23(3)</p> | <p>Specified Requirements:</p> <p>Audit criteria:</p> <p>Technical and organizational measures are appropriately designed and operate effectively to, when TikTok decides on a suspension, assess, on a case-by-case basis and in a timely, diligent, and objective manner, whether the recipient of the service, the individual, the entity or the complainant engages in the misuse referred to in Article 23(1), taking into account all relevant facts and circumstances apparent from the information available to the provider of online platforms. Those circumstances shall include at least the following:</p> <ol style="list-style-type: none"> the absolute numbers of items of manifestly illegal content or manifestly unfounded notices or complaints, submitted within a given timeframe; the relative proportion thereof in relation to the total number of items of information provided or notices submitted within a given timeframe; the gravity of the misuses, including the nature of illegal content, and of its consequences; where it is possible to identify it, the intention of the recipient of the service, the individual, the entity, or the complainant. <p>Benchmark(s) used as provided by TikTok:</p> <ul style="list-style-type: none"> <i>Timely:</i> suspension and enforcement should occur automatically at the point that the strike threshold is reached. Where this did not occur automatically and immediately, except as a result of nominal latency in infrastructure, the threshold for 'timely' action would not have been met. | <p>Materiality threshold:</p> <p>The technical and organizational measures are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Conclusion:</p> <p>Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Reason(s) for the conclusion:</p> <p>We identified that TikTok does not have internal controls to meet the Specified Requirements. Furthermore, we were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level. Therefore, these observations do not lead to a risk of a material misstatement at the obligation level.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> Conducted a walk-through and identified that an Account Gradient System (AGS) is in place to automatically assess whether the recipient of the service, the individual, the entity, or the complainant engages in the misuse. Inspected the AGS configurations and determined that points (a) to (d) of the audit criteria are taken into account when assessing whether the recipient of the service, the individual, the entity, or the complainant engages in the misuse referred to in Article 23(1); specifically, the AGS holds policies that contain information on the type of misuse (i.e., policy) that is linked to a severity score. Inspected the type of misuse policies and determined that there are policies established with regard to Video, Video Comments, Live, Live Comments, Direct Messages, and User Profile violations. Each policy is defined by severity, number of times the account violates the policy, suspension period and whether notice/warning or suspension action should be taken. Inspected, through one instance, that the AGS correctly determined the score group following the appropriate configured policy; we thereby inspected that the assessment was performed diligently, and in an objective manner, considering all relevant facts and circumstances apparent from the information available to the provider of online platforms. Inspected that the assessment was performed in a timely manner following the benchmark as provided by TikTok. | | |

6. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
7. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures instead of control test procedures due to the lack of internal controls. Furthermore, additional substantive procedures were performed to mitigate the observations under point (6) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to implement internal controls to support the ‘measures and protection against misuse’ process.

Furthermore, we recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
23(4)

Specified Requirements:
Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that TikTok set out, in a clear and detailed manner, in their terms and conditions their policy in respect of the misuse referred to in paragraph 23(1) and shall give examples of the facts and circumstances that they take into account when assessing whether certain behavior constitutes misuse and the duration of the suspension.

Materiality threshold:

The technical and organizational measures are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Reason(s) for the conclusion:

We identified that TikTok does not have internal controls to meet the Specified Requirements. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level. This observation, however, does not lead to a risk of a material misstatement at the obligation level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the measures in place to meet the Specified Requirements and identified that 1) Terms of Service; and 2) Community Guidelines are in scope for this obligation.
2. Inspected TikTok’s Terms of Service and Community Guidelines and identified that TikTok have set out in a clear and detailed manner, their policy in respect of the misuse referred to in paragraph 23(1); and we identified that these include examples of the facts and circumstances that TikTok takes into account when assessing whether certain behavior constitutes misuse and the duration of the suspension (i.e., permanent account ban with the option to appeal following Article 20).
3. Inspected that TikTok’s Terms of Service and Community Guidelines were in place from the beginning of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures instead of control test procedures due to the lack of internal controls.

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| <p>Recommendations on specific measures:</p> <p>We recommend TikTok to implement internal controls to support the ‘measures and protection against misuse’ process.</p> | <p>Recommended timeframe to implement specific measures:</p> <p>1 September 2024 to 31 December 2024</p> |
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| <p>Obligation: 24(1)</p> | <p>Specified Requirements:</p> <p>Audit criteria:</p> <p>Processes and controls are appropriately designed and operate effectively to ensure that the following information is accurately presented in the transparency reports:</p> <ol style="list-style-type: none"> a) the number of disputes submitted to the out-of-court dispute settlement bodies referred to in Article 21, the outcomes of the dispute settlement, and the median time needed for completing the dispute settlement procedures, as well as the share of disputes where TikTok implemented the decisions of the body; * b) the number of suspensions imposed pursuant to Article 23, distinguishing between suspensions enacted for the provision of manifestly illegal content, the submission of manifestly unfounded notices and the submission of manifestly unfounded complaints. <p><i>* Please note: The development of the DSA out-of-court dispute settlement bodies process envisaged by Article 21 of the Act is still in its early stages and is a work in progress at EC level. Also, the Commission has not yet published a list of appointed out-of-court dispute settlement bodies under Article 21(8) during the Evaluation Period. Therefore, requirement a) is considered out of scope.</i></p> | <p>Materiality threshold:</p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
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| <p>Conclusion:</p> | <p>Positive – In our opinion, TikTok complied with the Specified Requirements during the Evaluation Period, in all material respects.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that TikTok’s transparency report includes information on the number of disputes submitted to the out-of-court dispute settlement bodies referred to in Article 21. • Controls provide reasonable assurance that TikTok’s transparency report includes information on the outcomes of the dispute settlement. • Controls provide reasonable assurance that TikTok’s transparency report includes information on the median time needed for completing the dispute settlement procedures. • Controls provide reasonable assurance that TikTok’s transparency report includes information on the share of disputes where the provider of the online platform implemented the decisions of the body. • Controls provide reasonable assurance that TikTok’s transparency report includes information on the number of suspensions imposed pursuant to Article 23. • Controls provide reasonable assurance that TikTok’s transparency report includes information on number of suspensions pursuant to Article 23, distinguishing between suspensions enacted for the provisions of manifestly illegal content and manifestly unfounded notices and complaints. • Controls provide reasonable assurance that TikTok’s transparency report includes information on the submission of manifestly unfounded complaints. |
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3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and were informed about the transparency reporting process that includes appropriate validation steps to meet the Specified Requirements;
 - inspected the metrics scoping and interpretation document and determined that it covers requirement b) of the audit criteria and identified that the calculation metrics logic was approved by TikTok Legal;
 - inspected, through one instance (i.e., metric in the transparency report) that validation steps are performed concerning the scripts used to generate the relevant metrics to ensure the completeness, accuracy, timeliness, consistency, uniqueness, and validity of the metrics included in the transparency reports. Each metric is addressed by a quality control template outlining how the quality control principles are addressed and validated by a data scientist and data engineer;
 - reviewed a random selection of metrics for both the transparency reports that have been published during the Evaluation Period, and re-performed the validation steps; we identified that the performed validation steps were appropriate to ensure the completeness and accuracy of the metrics in the transparency reports;
 - inspected, for both transparency reports, that the process to prepare the transparency reports included the approval from TikTok Legal to ensure that the metrics in the transparency reports are in line with the metrics scoping and interpretation document and that the metrics are complete and accurate.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

Obligation:
24(2)

Specified Requirements:
Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that TikTok by 17 February 2023 and at least once every six months thereafter shall publish in a publicly available section of their online interface, information on the average monthly active recipients of the service in the Union, calculated as an average over the period of the past six months and in accordance with the methodology laid down in the delegated acts referred to in Article 33(3), where those delegated acts have been adopted.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that the publicly available section of the online interface of TikTok includes information on the average monthly active recipients of the service in the Union.
 - Controls provide reasonable assurance that the publicly available section of the online interface of TikTok is published at least once every six months.
 - Controls provide reasonable assurance that the publicly available section of the online interface of TikTok about the average monthly active recipients of the service in the Union is calculated as average over the period of the past six months.
 - Controls provide reasonable assurance that the publicly available section of the online interface of TikTok about the average monthly active recipients of the service in the Union is calculated in

accordance with the methodology laid down in the delegated acts, where such delegated acts are in application.

3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and were informed about the transparency reporting process that includes appropriate validation steps to meet the Specified Requirements; furthermore, we are informed that the average monthly active recipients of the service in the Union per Member State are included in the transparency reports;
 - inspected the transparency report webpage (i.e., DSA Transparency Center) on which the reports can be downloaded and identified that both reports are published in PDF (i.e., machine-readable format) and contain the average monthly active recipients of the service in the Union per Member State;
 - inspected the average monthly active recipients methodology document and determined that it describes the scope and methodology to calculate the average monthly active recipients in the Union by Member State; and identified that TikTok followed the Guidance of the Commission for calculating MAU;
 - inspected, for both transparency reports, that validation steps are performed concerning the scripts used to ensure the completeness, accuracy, timeliness, consistency, uniqueness, and validity of the average monthly active recipients included in the transparency reports. A quality control template is in place that outlines how the quality control principles are addressed and validated by a data scientist and data engineer;
 - inspected, for both transparency reports, that the process to prepare the transparency reports included the approval from TikTok Legal to ensure that the metrics in the transparency reports are in line with the metrics scoping and interpretation document and that the metrics are complete and accurate.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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| <p>Obligation: 24(3)</p> | <p>Specified Requirements: <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to ensure that TikTok communicates to the Digital Services Coordinator of establishment and the Commission, upon their request and without undue delay, the information referred to in Article 24(2), updated to the moment of such request. The Digital Services Coordinator or the Commission may require TikTok to provide additional information with regard to the calculation referred to in Article 24(2), including explanations and substantiation in respect of the data used. That information shall not include personal data.</p> <p><i>Benchmark(s) used as provided by TikTok:</i></p> <ul style="list-style-type: none"> - <i>Without undue delay:</i> following the required timelines of the request from the Digital Services Coordinator or the Commission. | <p>Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *</p> <p><i>* Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.</i></p> <p>Audit procedures, results and information relied upon:</p> | | |

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that TikTok shall communicate to the Digital Services Coordinator of establishment and the Commission, upon their request and without undue delay, the information referred to in Article 24(2), updated to the moment of such request. The Digital Services Coordinator or the Commission may require TikTok to provide additional information with regard to the calculation referred to in Article 24(2), including explanations and substantiation in respect of the data used. That information shall not include personal data.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed. As part of our audit procedures, we have:
 - inquired with control owners;
 - inspected that the email address to communicate with the single point of contact designated by TikTok was placed online on their Transparency Center from the beginning of the Evaluation Period;
 - inspected that the email address inbox was monitored during the Evaluation Period;
 - based on inquiry and a sanity check using publicly available information (i.e., website Commission) we identified that the Digital Services Coordinator of Ireland (i.e., ‘Coimisiún na Meán’) and the Commission did not request the information described in the audit criteria during the Evaluation Period; therefore, we could not assess the implementation and operating effectiveness of this process.
5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:
N/A

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| Obligation: 24(5) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall without undue delay, submit to the Commission the decisions and the statements of reasons referred to in Article 17(1) for the inclusion in a publicly accessible machine-readable database managed by the Commission. Providers of online platforms shall ensure that the information submitted does not contain personal data. * Benchmark(s) used as provided by TikTok: <ul style="list-style-type: none"> - <i>Without undue delay:</i> reports are submitted within 1 hour, unless delay occurs as a result of issues with the EC-database. <p style="font-size: small; margin-top: 10px;">* Please note: The Commission’s DSA Transparency Database went live on the September 2023. Therefore, the Evaluation Period for this obligation is determined to be 25 September 2023 to 30 June 2024.</p> | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| Conclusion: Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. | | |
| Reason(s) for the conclusion: We determined that the manual validation step, to evaluate whether personal data is submitted to the Commission’s DSA Transparency Database, was implemented from April 2024 onwards. Therefore, this | | |

manual validation step was not operating effectively throughout the Evaluation Period. Moreover, we identified that TikTok did not perform this validation step as designed. This observation does not lead to a risk of a material misstatement at the obligation level since other controls in place sufficiently mitigate the risk that no personal data is submitted to the Commission's DSA Transparency Database.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok's controls, under the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that the decisions and statements of reasons referred to in Article 17(1) are timely submitted to the Commission.
 - Controls provide reasonable assurance that the statements of reasons do not include personal data.
3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and were informed that a statement of reasons reporting hub is implemented to support the transmission of statements of reasons to the Commission's DSA Transparency Database;
 - inspected the reporting hub functionality used to transmit all Article 17(1) statements of reasons to the Commission and identified that the hub is monitored by the Trust & Safety team monthly;
 - inspected, through one instance, that TikTok validates whether the percentage of invalid transmissions has crossed the threshold of 1% for internal follow-up; in case the threshold of 1% is crossed two months in a row, this is escalated to the Commission for remediation purposes;
 - reviewed a random selection and validated that the monthly validation was performed and that, in case the threshold of 1% was crossed, it was flagged for internal communication and/or communicated to the Commission;
 - inspected, through one instance and by assessing the code configuration, the API used to transmit Article 17(1) statements of reasons to the Commission to determine that the API does not transmit personal data to the Commission's DSA Transparency Database;
 - inspected, through one instance, that a manual validation is performed by TikTok in which one statement of reasons is selected for each content type to validate whether personal data is used.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.
6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to strengthen the execution of the manual validation step to evaluate whether personal data is submitted to the Commission's DSA Transparency Database.

Recommended timeframe to implement specific measures:

1 September 2024 to
31 December 2024

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| Obligation: 25(1) | Specified Requirements: Audit criteria: TikTok's online interfaces are appropriately designed and operate effectively to ensure these interfaces are not designed, organized, or operated in a way that deceives or manipulates the recipients of their service or in a way that otherwise materially distorts or impairs the ability of the recipients of their service to make free and informed decisions. <i>Article 25(2): This does not apply to practices covered by Directive 2005/29/EC (Transactional decisions by consumers) or Regulation (EU) 2016/679 (Decisions regarding processing of personal data)</i> Benchmark(s) used as provided by TikTok: <ul style="list-style-type: none"> - TikTok determined the following set of online interfaces to be in scope: <ul style="list-style-type: none"> a) online interfaces introduced or mandated by the DSA: Article 12 user journey to contact TikTok; Article 16 user journey to report illegal content; Article 20 user journey to request an appeal, both by the reporter and the content creator; Article 26(2) user journey to declare commercial communication; Article 40(12) user journey to request data access; b) online interfaces around transactional decisions by business users: businesses creating and paying for an advertisement or campaign; businesses taking down an advertisement or campaign; c) online interfaces around opening and closing accounts: businesses signing up to TikTok for Business; businesses closing down a TikTok for Business account. | Materiality threshold: TikTok's online interfaces are designed, organized, or operated in a way that deceives or manipulates the recipients of their service or in a way that otherwise materially distorts or impairs the ability of the recipients of their service to make free and informed decisions. |
| Conclusion: Negative – In our opinion, except for the effects of the non-compliance above the materiality threshold described in the following paragraph, the Specified Requirements are met, in all material respects. Reason(s) for the conclusion: We identified that the design of the controls in place and their respective control objectives were not sufficient and appropriate to meet the Specified Requirements. We therefore performed substantive procedures to mitigate the risks associated with this observation to a sufficient level, except for the following: <ul style="list-style-type: none"> • We identified that, for one of the online interfaces in scope, the user journey 'materially impairs the ability of the recipients of their service to make a free and informed decision', as the existing procedure for closing a TikTok for Business account is significantly more cumbersome than signing up to it (recital 67); and • We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the system that supports the consistent design of the online interfaces in scope throughout the Evaluation Period. Due to the observation concerning one of the user journeys, we did not perform procedure to evaluate the mitigation of risks concerning the lack of sufficient and appropriate GITC evidence; to support the operating effectiveness of the consistent design of the online interfaces throughout the period. Audit procedures, results and information relied upon: <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that TikTok has controls in place, but we identified that the design of the controls and their respective control objectives are not completely sufficient and appropriate to meet the Specified Requirements. 2. Identified that through substantive procedures we were able to evaluate the Specified Requirements effectively and efficiently. | | |

3. Inspected the regulatory scope framework document and determined that it covers relevant scoping criteria to meet the Specified Requirements.
4. Inspected the online interfaces in scope at a point in time against TikTok's regulatory scope framework and DSA recital 67 and Article 25(1), and determined that, except for the observations identified as described under 'Reason(s) for the conclusion', these interfaces were designed and implemented in a way that meets the Specified Requirements.
5. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities in scope, specifically related to change management and identity access management.

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures instead of control test procedures due to observations concerning the design of the controls and their respective control objectives as we identified that these were not sufficient to meet the Specified Requirements.

Recommendations on specific measures:

We recommend that TikTok strengthens the design of existing controls and implements additional controls to meet the Specified Requirements throughout the Evaluation Period. For example, we recommend implementing controls covering a periodic review of the online interfaces in scope to evaluate whether these interfaces are not designed, organized, or operated in a way that deceives or manipulates the recipients of their service or in a way that otherwise materially distorts or impairs the ability of the recipients of their service to make free and informed decisions on the TikTok Platform.

Furthermore, we recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
26(1)

Specified Requirements:
Audit criteria:

Processes and controls are designed and operate effectively to ensure that, for each specific advertisement presented to each recipient, TikTok ensures the recipients are able to identify, in a clear, concise, and unambiguous manner, and in real-time, the following:

- a) that the information is an advertisement, including through prominent marking, which might follow standards pursuant to Article 44;
- b) the natural or legal person on whose behalf the advertisement is presented;
- c) the natural or legal person who paid for the advertisement, if different from the person on whose behalf the advertisement is presented;
- d) meaningful information directly and easily accessible from the advertisement about the main parameters used to determine the recipient to whom the advertisement is presented, and where applicable, how to change those parameters.

Benchmark(s) used as provided by TikTok:

- *A clear, concise, and unambiguous manner:* using a consistent format, and brief, non-technical language.
- *Directly and easily accessible:* accessible by long-clicking on the advertisement, or clicking the share button, and then selecting 'about this ad'.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Reason(s) for the conclusion:

We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.

This observation, however, does not lead to a risk of a material misstatement at the obligation level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s (automated) controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - For each specific advertisement presented to each individual recipient, the recipients of the service are able to identify, in a clear, concise, and unambiguous manner and in real-time, the requirements set out in Article 26(1).
3. Tested the processes and controls supporting the control objective above and identified that, except for the observations identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners;
 - observed the TikTok interfaces and identified that advertisement content can be recognized by means of prominent markings (i.e., ‘Ad’ as marker is shown under advertisement);
 - inspected that the information as listed in the audit criteria, points (a) to (d), is shown in a clear, concise, and unambiguous manner and in real-time following the benchmark as provided by TikTok;
 - inspected the code configurations to ensure recipients can clearly identify advertisements and other commercial content through prominent marking, labelled with ‘Ad’ or equivalent in all EEA languages; identified that recipients of the service can access the ‘About this Ad’ window, which details the advertiser, the buyer of the advertisement, and the main parameters used to determine the advertisement’s audience. Additionally, a button is available for users to navigate to settings to modify these parameters;
 - inquired with the Legal team and were informed that the Legal team needs to review and approve proposed changes to the main parameters reflected in the ‘About this Ad’ window prior to deployment; we were not able to test the implementation and operating effectiveness due to the non-occurrence throughout the entire Evaluation Period.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.
6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement

Recommended timeframe to implement specific measures:

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| or further strengthen General IT Controls to mitigate these risks to a sufficient level. | 1 September 2024 to 30 June 2025 |
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| Obligation: 26(2) | Specified Requirements: Audit criteria: Processes and controls are designed and operate effectively to ensure that TikTok shall provide recipients of the service with a functionality to declare whether the content they provide is or contains commercial communications. In addition, when recipients of the service submit a declaration, TikTok shall ensure that other recipients of the service can identify in a clear and unambiguous manner and in real-time, including through prominent markings, which might follow standards pursuant to Article 44, that the content provided by the recipient of the service is or contains commercial communications, as described in that declaration. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
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| <p>Conclusion: Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Reason(s) for the conclusion: We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level. This observation, however, does not lead to a risk of a material misstatement at the obligation level.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s (automated) controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that recipients of the service are provided with a functionality to declare whether the content they provide is, or contains, commercial communication. • Controls provide reasonable assurance that when a recipient of the service submits a declaration that their content is, or contains, commercial communications, other recipients of the service can identify in a clear and unambiguous manner and in real-time, including through prominent markings, that the content provided by the recipient of the service is, or contains, commercial communications, as described in that declaration. 3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with control owners; • observed the TikTok online interfaces and identified that a toggle functionality is available for recipients of the service to declare content to be or contain commercial communication; recipients can either select to promote their own brand (i.e., ‘brand organic’ content) or to promote a third-party brand or business (i.e., ‘branded content’); • inspected through one instance and by assessing the code configurations, the toggle functionality for recipients of the service to declare their content to be, or contain, commercial communication and we identified that the configuration is appropriate to meet the Specified Requirements; | |
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- inspected through one instance and by assessing the code configurations, the functionality to ensure that other recipients of the service can identify that the content provided by the recipient of the service is, or contains, commercial communication; and we identified that this information is presented in a clear and unambiguous manner and in real-time, including through prominent markings when the content presented to recipients of the service is of a commercial nature (content flagged as 'brand organic' is presented to recipients of the service with the label 'Promotional Content' and content flagged as 'branded content' is presented to recipients of the service with the label 'Paid Partnership').
- 4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
- 5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.
- 6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
26(3)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure TikTok shall not present advertisements to recipients of the service based on profiling as defined in Article 4, point (4), of Regulation (EU) 2016/679 (i.e., GDPR) using special categories of personal data referred to in Article 9(1) of Regulation (EU) 2016/679 (i.e., GDPR).

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Reason(s) for the conclusion:

We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level.

This observation, however, does not lead to a risk of a material misstatement at the obligation level.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:

- Controls provide reasonable assurance that targets for advertisement campaigns prevent profiling of service recipients based on special categories of personal data.
3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and were informed that advertisements target recipients of the service based on specific keywords provided by the advertiser; furthermore, we were informed that keywords are moderated to prevent that advertisement campaigns use profiling based on special categories of personal data to target recipients of the service;
 - observed the Keyword Moderation Policy Playbook and identified that this outlines the keywords that are not allowed to be used by advertisers for targeting purposes;
 - inspected the revisions to the Keyword Moderation Policy Playbook and determined that the revisions to the policy were approved by the relevant stakeholders;
 - inspected, through one instance and by assessing the code configurations underlying the functionality, that when new keywords are submitted by advertisers, the keyword is added to the Keyword Moderation Policy and the advertisement if flagged for moderation;
 - inspected, through one instance and by assessing the code configuration underlying the functionality, that the moderation system automatically blocks advertisements that use keywords that are not allowed to be used following the Keyword Moderation Policy Playbook;
 - inspected, through one instance and by assessing the code configuration underlying the functionality, that the moderation systems mark keywords that are not recognized for manual moderation;
 - inspected, through one instance, the manual keyword moderation process, and identified that moderators manually moderate the keywords according to the Keyword Moderation Policy Playbook in the moderation system, and based upon their moderation decision, apply either an 'Approve' or 'Reject' action label;
 - reviewed a random selection of moderation cases and identified that for all cases the moderation was performed according to the Keyword Moderation Policy Playbook.
 4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
 5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.
 6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

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| Obligation: 27(1) | Specified Requirements: <i>Audit criteria:</i> | Materiality threshold: |
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| | <p>Processes and controls are appropriately designed and operate effectively to ensure that TikTok completely and accurately sets out in their terms and conditions, in plain and intelligible language, the main parameters used in their recommender systems, as well as any options for the recipients of the service to modify or influence those main parameters.</p> <p>Benchmark(s) used as provided by TikTok:</p> <ul style="list-style-type: none"> - <i>Plain and intelligible language:</i> Clear information, written for a general audience with varying technical skill levels, inclusive of all users, that is helpful and avoids complex words, phrases, jargon, formality, and legalese. - <i>Sections of the terms and conditions relevant to Article 27:</i> TikTok Terms of Service and TikTok Help Center page titled ‘How TikTok recommends content’, linked in section 4.1 of the Terms of Service. - <i>Main parameters:</i> broad categories of signals that inform recommender systems. - <i>Options to modify or influence those main parameters:</i> <ol style="list-style-type: none"> 1. options must enable users to influence or modify the ‘main parameters’, as defined by TikTok (user information, content information, interaction information) and therefore affect the information that will be presented to the user; and 2. options must be a tool or a feature which the user engages with, over and above a user interaction (defined as a main parameter and already informing the user in the Help Center article that how they use the app / interact with content, will impact what they see). Article 27(3) supports this interpretation: “make available a functionality that allows the recipient of the service to select and to modify at any time their preferred option”. 3. the following controls are not considered to be ‘options to modify or influence those main parameters’: <ul style="list-style-type: none"> ○ Limiting pool of content: these are content controls that TikTok offers to users that restrict certain content from being retrieved by the recommender systems but do not ‘modify or influence’ the main parameters (listed above) of the recommender systems. ○ Non-personalized options: these offer users separate experiences which are not based on profiling. ○ Settings: these are user preferences that affect the user’s experience on the Platform generally (like language and translation preferences and location services). | <p><i>For the procedures where we relied on controls:</i></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> <p><i>For the substantive procedures:</i></p> <p>TikTok did not completely and accurately, throughout the Evaluation Period, set out in their terms and conditions, in plain and intelligible language, the main parameters used in their recommender systems, or any options for the recipients of the service to modify or influence those main parameters.</p> |
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Conclusion:

Negative – In our opinion, except for the effects of the non-compliance above the materiality threshold described in the following paragraph, the Specified Requirements are met throughout the Evaluation Period, in all material respects.

Reason(s) for the conclusion:

We identified that the design of the controls in place and their respective control objectives were not sufficient and appropriate to meet the Specified Requirements. We therefore performed substantive procedures to mitigate the risks associated with this observation to a sufficient level, except for the following observation:

- The options to modify or influence the main parameters used in TikTok’s recommender systems were not completely and accurately set out in the terms and conditions throughout the Evaluation Period. TikTok

identified that one of the options in scope ('Like') was not included in the Terms of Service or linked transparency article during the Evaluation Period.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that the main parameters used in the recommender systems are set out in the terms and conditions, via a transparency article.
 - Controls provide reasonable assurance that the information is set out in plain and intelligible language.
3. Tested the processes and controls supporting the control objectives above and identified that except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with the control owners and identified that the relevant section of TikTok's Terms of Service has not been updated in the Evaluation Period and that TikTok's Help Center page has been updated twice (in January and in April) during the Evaluation Period;
 - inspected the documentation used by TikTok to collect information on the main parameters used and determined that the questionnaire used covers all relevant topics and that TikTok collected information for each of the main recommender systems, through engineering points of contacts (PoCs) via one or multiple PoCs;
 - inquired with one of the points of contact (Search) who filled out the questionnaire and we determined that their input was completely and correctly processed towards the transparency article;
 - inspected the evidence and determined that relevant personnel reviewed that the draft article is set out in plain and intelligible language, suggested updates when necessary and accepted the final draft for both updates to the article.
4. Identified that TikTok's controls, supporting the following control objective, are not sufficient and appropriate to meet the Specified Requirements
 - Any options for the recipients of the service to modify or influence the main parameters used in the recommender systems are set out in the terms and conditions, via a reference to an article in the TikTok Help Center.Based on this observation we decided to perform additional substantive procedures.
5. Through additional substantive procedures we determined that, except for the observations identified as described under 'Reason(s) for the conclusion', a complete set of options has been included in the terms and conditions throughout the Evaluation Period. As part of these substantive procedures, we have:
 - inquired with relevant stakeholders [REDACTED];
 - inspected the TikTok Platform and independently identified all potentially relevant settings and functionalities;
 - requested TikTok to perform an analysis where they evaluated all identified settings and functionalities against their internal benchmarks; inspected the analyses and determined that TikTok consistently applied their internal benchmarks; also, we identified the following options to be in scope as 'options to modify or influence those main parameters': 'Like' and 'Refresh your feed';
 - inspected the available versions of the TikTok Help Center page titled 'How TikTok recommends content' and confirmed that the 'Refresh your feed' option has been included in the transparency article during the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures in addition to control test procedures due to the fact that the design of the controls in place was only partially sufficient and appropriate to meet the Specified Requirements.

Recommendations on specific measures:

We recommend that TikTok strengthens the design of existing controls and implements additional controls such that these are sufficient and appropriate to meet the Specified Requirements throughout the Evaluation Period. For example, we recommend implementing a control covering a periodic review of existing options to modify or influence the main parameters.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
27(2)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that the main parameters referred to in Article 27(1) shall explain why certain information is suggested to the recipient of the service. They shall include, at least:

- a) the criteria which are most significant in determining the information suggested to the recipient of the service;
- b) the reasons for the relative importance of those parameters.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that the information provided about the main parameters used in the recommender systems includes the criteria which are most significant in determining the information suggested to the recipient of the service.
 - Controls provide reasonable assurance that the information provided about the main parameters used in the recommender systems includes the reasons for the relative importance of those parameters.
3. Tested the controls under the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our test procedures, we have:
 - inquired with control owners;
 - inspected the documentation used by TikTok to collect information on the most significant criteria and reasons for relative importance and identified that the questionnaire used covers all relevant topics, and that TikTok collected information for each of the main recommender systems, through engineering points of contacts (PoCs) via one or multiple PoCs;
 - inquired with one of the points of contact (Search) who filled out the questionnaire and we determined that their input was completely and correctly processed towards the transparency article.
 - inspected the transparency article and reconciled the detailed information on the most significant criteria per recommender system in the transparency article to the information collected through the questionnaire.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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| <p>Obligation: 27(3)</p> | <p>Specified Requirements:</p> <p>Audit criteria:</p> <p>TikTok's systems are appropriately designed and operate effectively to ensure that TikTok shall also make available a functionality that allows the recipient of the service to select and to modify at any time their preferred option. That functionality shall be directly and easily accessible from the specific section of TikTok's online interface where the information is being prioritized.</p> <p>Benchmark(s) used as provided by TikTok:</p> <ul style="list-style-type: none"> - <i>Directly:</i> this must be directly accessible from the main part of the feed/feature in question: <ul style="list-style-type: none"> a) The 'main part of the feed/feature' is assessed on a per feed or feature basis. For example: i. for a content delivery feed like For You Feed, it is the feed itself; ii. for Search, it is the landing page when the user clicks the search button. b) Where the setting is not present in the first layer, we have ensured that it is intuitive for the user to click through to the setting. - <i>Easily accessible:</i> ██████████ <p>— <i>TikTok determined the following options to be in scope, following the benchmark for 'Options to modify or influence those main parameters', refer to 27(1): Like, Not Interested, Dislike (for comments), and Refresh your feed.</i></p> | <p>Materiality threshold:</p> <p>TikTok's functionalities that allow the recipient of the service to select and modify at any time their preferred option, are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Conclusion:</p> <p>Negative – In our opinion, except for the effects of the material non-compliance described in the following paragraph, the Specified Requirements are met, in all material respects.</p> <p>Reason(s) for the conclusion:</p> <p>We identified that the design of the controls in place and their respective control objectives were not sufficient and appropriate to meet the Specified Requirements. We therefore performed substantive procedures to mitigate the risks associated with this observation to a sufficient level, except for the following observations:</p> <ul style="list-style-type: none"> • We identified that TikTok could not provide sufficient evidence through General IT Controls (GITC) to support the operating effectiveness of the functionalities that allow recipients of the service to select and modify their preferred options. Therefore, we performed additional substantive procedures aimed at testing the operating effectiveness of these functionalities and whether changing these options appropriately changed the performance of the underlying recommender systems throughout the Evaluation Period. • Based on the substantive procedures we performed we determined that the functionalities that allow recipients of the service to select and modify their preferred options (i.e., the main parameters) were visible and operational throughout the Evaluation Period. At a point in time in the Evaluation Period and for each of the preferred options, we determined that selecting and modifying the option did appropriately alter the performance of the underlying recommender systems. However, we were not able to determine, when selecting or modifying these options, that the performance of the recommender systems was appropriately altered throughout the entire Evaluation Period, as we could not obtain sufficient evidence to assess all the changes made to the recommender systems. <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that TikTok has controls in place, but that the design of the controls and their respective control objectives was not sufficient and appropriate to meet the Specified Requirements. 2. Identified that through substantive procedures we were able to evaluate the Specified Requirements effectively and efficiently. | | |

3. Evaluated, for each of the options in scope, the design and implementation of the functionality that allows the recipient of the service to select and to modify, at any time, their preferred option as set out in the Specified Requirements. As part of these substantive procedures, we have:
 - inquired with relevant personnel on the design and implementation of the options;
 - inspected, for each of options in scope, the design and implementation of the code configurations of the functionalities and determined that these are designed and implemented in a way to meet the Specified Requirements;
 - inspected the user interfaces of the TikTok Platform for each of the recommender systems and determined that the functionalities that allow the recipient of the service to select and to modify, at any time, their preferred option were directly and easily accessible following the benchmarks provided by TikTok;
 - through one instance of each of the options, we determined that the options did appropriately alter the performance of the underlying recommender systems.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities in scope, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures and determined that the functionalities that allow recipients of the service to select and modify their preferred options (i.e., the main parameters) were visible on the user interface of TikTok throughout the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures instead of control test procedures due to observations concerning the design of the controls and their respective control objectives, as we identified that these were not sufficient to meet the Specified Requirements. Furthermore, additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

Recommendations on specific measures:

We recommend that TikTok strengthens the design of existing controls and implements additional controls to meet the Specified Requirements throughout the Evaluation Period. For example, we recommend implementing controls covering a periodic review, for each of functionalities in scope, to assess availability and accessibility.

Furthermore, we recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
28(1)

Specified Requirements:
Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that TikTok has in place appropriate and proportionate measures to ensure a high level of privacy, safety, and security of minors, on their service. *

** Article 28(3): Compliance with the obligations set out in this Article shall not oblige TikTok to process additional personal data in order to assess whether the recipient of the service is a minor.*

Materiality threshold:
N/A

Conclusion:

Unable to audit - Disclaimer of opinion.

Explanation of the circumstances and the reasons why this obligation could not be audited:

1. The Commission has opened formal proceedings against TikTok as of 19 February 2024, to assess potential non-compliance with Article 28(1) of the Digital Services Act. These proceedings by the Commission indicate that measures put in place by TikTok may not be compliant with the Specified Requirements of Article 28(1).

2. We have not been able to obtain all relevant information associated with the proceedings, including the reasons for and/or benchmarks/criteria underlying the formal proceedings.
3. This results in the circumstance beyond the control of the audited provider, that we cannot obtain all documentation and understanding considered necessary to identify all risks which could impact TikTok's ability to comply with the Specified Requirements, in all material respects, and to adequately design the nature, timing and extent and performance of our procedures to assess compliance with Article 28(1).

Observations identified during the audit procedures:

We have received the overview of the systemic risk mitigation measures, specifically on the protection of minors, as identified by TikTok for Article 28(1). We were informed by TikTok that some of these measures have been implemented, some are in process of completion to be implemented and some are planned for future implementation.

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| Obligation: 28(2) | Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall not present advertisements on their interface based on profiling as defined in Article 4, point (4), of Regulation (EU) 2016/679 (i.e., GDPR) using personal data of the recipient of the service when they are aware with reasonable certainty that the recipient of the service is a minor. * <i>* Article 28(3): Compliance with the obligations set out in this Article shall not oblige TikTok to process additional personal data in order to assess whether the recipient of the service is a minor.</i> Benchmarks used as provided by TikTok: <ul style="list-style-type: none"> - <i>Reasonable certainty:</i> for advertising purposes, TikTok has 'reasonable certainty that a user is a minor' when TikTok possesses birth data provided by the user to TikTok at the point of account creation (i.e., Age Gate data) that indicates that the user is a minor. - <i>Location:</i> the country or city of a user for ad targeting or delivery does not fall within the Article 4(4) GDPR definition of 'profiling', as the objective is not to 'evaluate certain personal aspects relating to a natural person'. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| Conclusion: Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. | | |
| Reason(s) for the conclusion: We were informed by TikTok that they could not provide sufficient and appropriate evidence to support the design, implementation, and operating effectiveness of General IT Controls (GITC) concerning the systems that support the functionalities and associated controls in scope. Additional substantive procedures were performed to mitigate the risks associated with this observation to a sufficient level. This observation, however, does not lead to a risk of a material misstatement at the obligation level. | | |
| Audit procedures, results and information relied upon: <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok's (automated) controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that TikTok shall not present advertisements on their interface based on profiling as defined in Article 4, point (4), of Regulation (EU) 2016/679 (i.e., GDPR) using personal data of the recipient of the service when they are aware with reasonable | | |

certainty that the recipient of the service is a minor. TikTok is not obliged to process additional personal data in order to assess whether the recipient of the service is a minor.

3. Tested the processes and controls supporting the control objective above and identified that, except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners;
 - inspected, through one instance and by assessing the code configuration underlying the functionality of the Policy Center that TikTok retrieves user age based on the age declared by the recipients of the service (i.e., Age Gate data), without processing additional personal data to determine age; according to the declared age, the system categorizes the user as 'non-personalized' if: 1) the user is under 18 years old; and 2) the user's app store location and/or current location is within the EU;
 - inspected, through one instance and by assessing the code configuration underlying the functionality of the Ads Delivery System, that upon the creation of an advertisement campaign, ads are automatically categorized as either 'personalized' or 'non-personalized'. Ads are categorized as 'non-personalized' if targeting is restricted to a predefined set of parameters that does not involve profiling;
 - inspected, through one instance and by assessing the code configuration underlying the functionality of the Ads Delivery System, that one of the parameters pertains to user location (i.e., city);
 - inquired and assessed with TikTok on whether the user location could be considered as profiling under Article 4, point (4) of Regulation (EU) 2016/679 and determined that according to the benchmark provided by TikTok, determining the city of a user for ad targeting or delivery does not fall within the definition of 'profiling', as the objective is not to 'evaluate certain personal aspects relating to a natural person';
 - inspected, through one instance and by assessing the code configuration underlying the functionality of the Ads Delivery System, and we determined that only advertisements categorized as 'non-personalized' are matched with minors located in the EU, as these minors are also categorized accordingly, thereby ensuring that TikTok only present advertisement to minors based on targeting not involving personal data of the recipient.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.
6. Made inquiries after the Evaluation Period with the control operators responsible for the operation of the controls and confirmed that there have been no significant changes in the design or operation of the control itself since we concluded on its operating effectiveness as of our interim date.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

Recommendations on specific measures:

We recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Section 4 – Additional provisions applicable to providers of online platforms allowing consumers to conclude distance contracts with traders

Not applicable, as TikTok did not allow consumers to conclude distance contracts with traders in the Evaluation Period.

Section 5 – Additional obligations for providers of very large online platforms and of very large online search engines to manage systemic risks

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| Obligation: 34(1) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively in order to diligently identify, analyze, and assess any systemic risks in the Union stemming from the design or functioning of the Platform and its related systems, including algorithmic systems, or from the use made of the Platform. The risk assessments should be carried out by the date of application referred to in Article 33(6), second subparagraph, and at least once every year thereafter, and in any event prior to deploying functionalities that are likely to have a critical impact on the risks identified pursuant to this Article. This risk assessment shall be specific to their services and proportionate to the systemic risks, taking into consideration their severity and probability, and shall include the following systemic risks: <ul style="list-style-type: none"> a) the dissemination of illegal content through their services; b) any actual or foreseeable negative effects for the exercise of fundamental rights; c) any actual or foreseeable negative effects on civic discourse and electoral processes, and public security; d) any actual or foreseeable negative effects in relation to gender-based violence, the protection of public health and minors and serious negative consequences to the person's physical and mental well-being. Benchmark(s) used as provided by TikTok: <ul style="list-style-type: none"> - <i>Critical impact:</i> TikTok considers the potential impact that each deployment of functionality may have on systemic risks on a case-by-case basis, in light of its different factors and characteristics, and whether the impact identified is likely to be 'critical'. | Materiality threshold: N/A |
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Conclusion:

Unable to audit - Disclaimer of opinion.

Explanation of the circumstances and the reasons why this obligation could not be audited:

1. The Commission has opened formal proceedings against TikTok as of 19 February 2024, to assess potential non-compliance with Article 34(1) of the Digital Services Act. These proceedings by the Commission indicate that measures put in place by TikTok may not be compliant with the Specified Requirements of Article 34(1).
2. The European Commission also opened formal proceedings against TikTok as of 22 April 2024 to assess the potential non-compliance with Article 34(1) of the Digital Services Act. Those proceedings by the European Commission indicate that measures put in place by TikTok may not be compliant with the Specified Requirements of Article 34(1) as they relate to the requirement to complete an ad hoc risk assessment before deploying functionality likely to have a critical impact on systemic risk(s).
3. We have not been able to obtain all relevant information associated with the proceedings, including the reasons for and/or benchmarks/criteria underlying the formal proceedings.

4. This results in the circumstance beyond the control of the audited provider, that we cannot obtain all documentation and understanding considered necessary to identify all risks which could impact TikTok's ability to comply with the Specified Requirements, in all material respects, and to adequately design the nature, timing and extent and performance of our procedures to assess compliance with Article 34(1).

Observations identified during the audit procedures:

We did not obtain sufficient audit evidence which would allow us to conclude whether TikTok carried out a risk assessment 'prior to deploying functionalities that are likely to have a critical impact on the systemic risks identified' as required during the Evaluation Period.

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| Obligation: 34(2) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall take into account, in particular, whether and how the following factors influence any of the systemic risks referred to in Article 34(1): <ol style="list-style-type: none"> a) the design of their recommender systems and any other relevant algorithmic system; b) their content moderation systems; c) the applicable terms and conditions and their enforcement; d) systems for selecting and presenting advertisements; e) data-related practices of the provider. <p>The assessments shall also analyze whether and how the risks pursuant to Article 34(1) are influenced by intentional manipulation of the Platform, including by inauthentic use or automated exploitation of the Platform, as well as the amplification and potentially rapid and wide dissemination of illegal content and of information that is incompatible with TikTok's terms and conditions.</p> <p>Moreover, the assessment shall take into account specific regional or linguistic aspects, including when specific to a Member State.</p> | Materiality threshold: N/A |
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Conclusion:

Unable to audit – Disclaimer of opinion.

Explanation of the circumstances and the reasons why this obligation could not be audited:

1. The Commission has opened formal proceedings against TikTok as of 19 February 2024, to assess potential non-compliance with Article 34(2) of the Digital Services Act. These proceedings by the Commission indicate that measures put in place by TikTok may not be compliant with the Specified Requirements of Article 34(2).
2. We have not been able to obtain all relevant information associated with the proceedings, including the reasons for and/or benchmarks/criteria underlying the formal proceedings.
3. This results in the circumstance beyond the control of the audited provider, that we cannot obtain all documentation and understanding considered necessary to identify all risks which could impact TikTok's ability to comply with the Specified Requirements, in all material respects, and to adequately design the nature, timing and extent and performance of our procedures to assess compliance with Article 34(2).

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| Obligation: 34(3) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively in order to preserve the supporting documents of the | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively |
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| | <p>risk assessments for at least three years after the performance of risk assessments, and shall, upon request, be communicated to the Commission and to the Digital Services Coordinator of establishment.</p> | <p>throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that the supporting documents of the risk assessments are preserved for at least three years after the performance of risk assessments. • Controls provide reasonable assurance that the supporting documents of the risk assessments are communicated to the Commission and to the Digital Services Coordinator of establishment upon request. 3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with control owners and were informed by TikTok that: <ul style="list-style-type: none"> ○ supporting documents are manually tracked via a documentation tracker in which links to the documents are included; ○ by means of a random selection, TikTok evaluates whether the supporting documents are available and accessible; ○ TikTok received multiple Requests For Information (RFIs) from the Commission and responded to that timely; • observed the risk assessment report dated 29 September 2023 and supporting documents and identified that these were persevered during the Evaluation Period; • inspected the random selection and confirmed that the documents are preserved; • inspected the RFI documents received by TikTok and their response and identified that TikTok provided a timely response to the Commission by providing the supporting documents of the systemic risk assessment. <p>Changes to the audit procedures and/or systems and functionalities during the audit: N/A</p> | | |

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| <p>Obligation: 35(1)</p> | <p>Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall put in place reasonable, proportionate, and effective measures, tailored to the specific systemic risks identified pursuant to Article 34, with particular consideration to the impacts of such measures on fundamental rights. Such measures may include, where applicable, points a) to k) listed in the Act, Article 35(1).</p> | <p>Materiality threshold: N/A</p> |
| <p>Conclusion: Unable to audit – Disclaimer of opinion.</p> <p>Explanation of the circumstances and the reasons why this obligation could not be audited:</p> | | |

1. The Commission has opened formal proceedings against TikTok as of 19 February 2024, to assess potential non-compliance with Article 35(1) of the Digital Services Act. These proceedings by the Commission indicate that measures put in place by TikTok may not be compliant with the Specified Requirements of Article 35(1).
2. The European Commission also opened formal proceedings against TikTok as of 22 April 2024 to assess the potential non-compliance with Article 35(1) of the Digital Services Act. Those proceedings by the European Commission indicate that measures put in place by TikTok may not be compliant with the Specified Requirements of Article 35(1) as they relate to the requirement to complete an ad hoc risk assessment before deploying functionality likely to have a critical impact on systemic risk(s).
3. We did not obtain documentation sufficiently supporting or explaining the reasons for and/or benchmarks/criteria underlying the formal proceedings.
4. This results in the circumstance beyond the control of the audited provider, that we cannot obtain all documentation and understanding considered necessary to identify all risks which could impact TikTok's ability to comply with the Specified Requirements, in all material respects, and to adequately design the nature, timing and extent and performance of our procedures to assess compliance with Article 35(1).

Observations identified during the audit procedures:

We have received the overview of the systemic risk mitigation measures as identified by TikTok for Article 35(1). We were informed by TikTok that some of these measures have been implemented, some are in process of completion to be implemented and some are planned for future implementation.

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| Obligation: 36(1) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that TikTok, when a crisis occurs, takes one or more of the following actions: <ol style="list-style-type: none"> a) assess whether, and if so, to what extent and how, the functioning and use of their services significantly contributes to a serious threat as referred to in Article 36(2), or are likely to do so; b) identify and apply specific, effective, and proportionate measures, such as any of those provided for in Article 35(1) or Article 48(2), to prevent, eliminate or limit any such contribution to the serious threat identified pursuant to point (a) of this paragraph; c) report to the Commission by a certain date or at regular intervals specified in the decision, on the assessments referred to in point (a), on the precise content, implementation and qualitative and quantitative impact of the specific measures taken pursuant to point (b) and on any other issue related to those assessments or those measures, as specified in the decision. <p><i>When identifying and applying measures pursuant to point (b) of this paragraph, TikTok shall take due account of the gravity of the serious threat referred to in Article 36(2), of the urgency of the measures and of the actual or potential implications for the rights and legitimate interests of all parties concerned, including the possible failure of the measures to respect the fundamental rights enshrined in the Charter.</i></p> | Materiality threshold: The technical and organizational measures are not sufficiently designed to meet the Specified Requirements. |
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Conclusion:

Positive with comments – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *

** Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.*

Reason(s) for the conclusion:

We identified that TikTok does not have internal controls to meet the Specified Requirements. Furthermore, we identified that the Standard Operating Procedures are global and that therefore do not explicitly describe point (c) of the Specified Requirements.

Audit procedures, results and information relied upon:

1. Inquired with the process owners about the crisis protocols and identified that there is a procedure in place for all teams who have a role in a crisis that TikTok would initiate in case of a crisis.
2. Conducted a walk-through meeting to understand the procedure that TikTok would follow in case of a crisis and identified that this procedure is appropriate to meet the Specified Requirements, with the exception of the observations described under the 'Reason(s) for the conclusion'.

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures instead of control test procedures due to the lack of internal controls.

Recommendations on specific measures:

We recommend TikTok to implement internal controls to support the crisis response mechanism process. Furthermore, we recommend TikTok to make the current standard operating procedures more specific by including point (c) of the Specified Requirements.

Recommended timeframe to implement specific measures:

1 September 2024 to 31 December 2024

Obligation:
37(1)

Specified Requirements:
Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that, at TikTok's own expense and at least once a year, an independent audit is performed to assess compliance with the following:

- a) the obligations set out in Chapter III of the Act;
- b) any commitments undertaken pursuant to the codes of conduct referred to in Articles 45 and 46 and the crisis protocols referred to in Article 48 of the Act.

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that independent auditors are engaged to assess compliance with the obligations set out in Article 37(1), points (a) and (b).
 - Controls provide reasonable assurance that the independent audit covers the obligations set out in Chapter III of the Act.
 - Controls provide reasonable assurance that the independent audit covers any commitments undertaken pursuant to the codes of conduct referred to in Articles 45 and 46 and the crisis protocols referred to in Article 48 of the Act.

3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with the control owners;
 - inspected the contract between TikTok and KPMG and determined that an independent auditor is appointed to conduct the DSA Audit for the Evaluation Period;
 - inspected the contract between TikTok and KPMG and determined that the agreed scope contains:
 - the obligations set out in Chapter III of the Act;
 - the codes of conduct referred to in Articles 45 and 46 and the crisis protocols referred to in Article 48 of the Act.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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| Obligation: 37(2) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure TikTok shall afford KPMG the cooperation and assistance necessary to enable them to conduct those audits in an effective, efficient, and timely manner, including by giving them access to all relevant data and premises and by answering oral or written questions. TikTok shall refrain from hampering, unduly influencing or undermining the performance of the audit. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| <p>Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that TikTok cooperates and assists KPMG in conducting the DSA audit in an effective, efficient, and timely manner, including by giving them access to all relevant data and premises and by answering oral or written questions. TikTok shall refrain from hampering, unduly influencing or undermining the performance of the audit. 3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with the control owners; • inspected evidence of review; • inspected the contract between TikTok and KPMG and determined that TikTok confirmed that they would not hamper, unduly influence, or undermine the performance of the audit; • observed, as an auditor, that TikTok has cooperated and assisted KPMG in performing the audit. <p>Changes to the audit procedures and/or systems and functionalities during the audit:</p> <p>N/A</p> | | |

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| Obligation: 37(3) | Specified Requirements: Audit criteria: | Materiality threshold: |
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| | <p>Processes and controls are appropriately designed and operate effectively to ensure that the audit shall be performed by an organization that:</p> <ol style="list-style-type: none"> a) is independent from, and does not have any conflicts of interest with TikTok and any legal person connected to TikTok; in particular: <ol style="list-style-type: none"> i. has not provided non-audit services related to the matters audited to TikTok and to any legal person connected to TikTok in the twelve-month period before the beginning of the audit and have committed to not providing them with such services in the twelve-month period after the completion of the audit; ii. has not provided DSA auditing services to TikTok and any legal person connected to TikTok during a period longer than ten consecutive years; iii. is not performing the audit in return for fees which are contingent on the result of the audit; b) has proven expertise in the area of risk management, technical competence and capabilities; c) has proven objectivity and professional ethics, based in particular on adherence to codes of practice or appropriate standards. | <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
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Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that organizations performing audits shall do so in line with the requirements set out in 37(3), points (a), (b) and (c).
 - Controls provide reasonable assurance that the provider ensures the engaged auditor is independent and free of conflicts of interest with the provider or any legal person connected to the provider.
 - Controls provide reasonable assurance that the provider ensures the independent auditor has not provided non-audit services related to the matters audited to the provider or any legal person connected to it in the twelve-month period before the beginning of the audit and has committed to not providing such services in the twelve-month period after the completion of the audit.
 - Controls provide reasonable assurance that the auditor has not provided DSA audit services to the provider, or any legal person connected to it for a period longer than ten consecutive years.
 - Controls provide reasonable assurance that the provider ensures the fees charged for the audit will not be contingent on the result of the audit.
 - Controls provide reasonable assurance that the provider ensures the engaged auditor has proven expertise in the areas of risk management, technical competence and capabilities.
 - Controls provide reasonable assurance that the provider ensures the engaged auditor has proven objectivity and professional ethics, in line with the codes of practice or appropriate standards.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with the control owners;
 - inspected the contract between TikTok and KPMG, specifically the independence paragraph, and determined that KPMG has not provided non-audit services related to the matters audited to the provider or any legal person connected to it in the twelve-month period before the beginning of

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| | <p>the audit and has committed to not providing such services in the twelve-month period after the completion of the audit;</p> <ul style="list-style-type: none"> inspected the contract between TikTok and KPMG, specifically the independence paragraph, and determined that KPMG has specific processes and systems in place to ensure that they will remain independent during the performance of the assurance engagement in the Evaluation Period; inspected the contract between TikTok and KPMG and determined that TikTok confirmed that the fees charged for an audit are not contingent on the result of the audit, concluded that the engaged auditor has proven expertise in the area of risk management, technical competence and capabilities, and that the compliance function engaged an auditor with proven objectivity and professional ethics, in line with the appropriate standards; inspected documentation concerning the review of professional ethics for the auditor appointment, outlining that the auditor shall adhere to the Code of Ethics of NOREA, including the independence rules for assurance engagements (EISBA) and the obligations in Article 37(3) of the DSA, aligning with senior management and the Board of Managers (management body) on the choice of auditor. <p>Changes to the audit procedures and/or systems and functionalities during the audit: N/A</p> |
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| Obligation: 38(1) | <p>Specified Requirements: <i>Audit criteria:</i> TikTok's systems are appropriately designed and operate effectively to ensure that TikTok provides at least one option for each of their recommender systems which is not based on profiling as defined in Article 4, point (4), of Regulation (EU) 2016/679.</p> <p>Benchmark(s) used as provided by TikTok:</p> <ul style="list-style-type: none"> <i>Location:</i> the country of a user for ad targeting or delivery does not fall within the Article 4(4) GDPR definition of 'profiling', as the objective is not to 'evaluate certain personal aspects relating to a natural person'. <i>Recommender systems in scope that are based on profiling:</i> Friends, Accounts, Comments, Search, For You Feed (FYF), Following, Live, Notifications and Stories. | Materiality threshold: Not all relevant recommender systems do have an option which is not based on profiling as defined in Article 4, point (4), of Regulation (EU) 2016/679 and/or that option did not operate effectively throughout the Evaluation Period. |
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| Conclusion: | <p>Negative – In our opinion, except for the effects of the non-compliance above the materiality threshold described in the following paragraph, the Specified Requirements are met, in all material respects.</p> <p>Reason(s) for the conclusion:</p> <p>We identified that the design of the controls in place and their respective control objectives were not sufficient and appropriate to meet the Specified Requirements. We therefore performed substantive procedures to mitigate the risks associated with this observation to a sufficient level, except for the following:</p> <ul style="list-style-type: none"> We identified that for one of the recommender systems in scope ('Stories') an option not based on profiling was implemented in April 2024 and therefore this option was not available for the entire Evaluation Period; and We identified that TikTok could not provide sufficient evidence through General IT Controls (GITC) to support the operating effectiveness of the functionalities that allow recipients of the service to select at least one option for each of their recommender systems which is not based on profiling. Therefore, we performed additional substantive procedures aimed at testing the operating effectiveness of these non-profiling options and whether changing these options appropriately changed the performance of the underlying recommender systems throughout the Evaluation Period. Based on these substantive procedures, we determined that, for each of the non-profiling options, at a point in time, the options did appropriately alter the performance of the underlying recommender systems (i.e., no profiling is used). However, we were not able to determine whether selecting or |
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modifying these options affected the performance of the recommender systems during the entire Evaluation Period, as we could not obtain sufficient evidence to assess all the changes made to the recommender systems.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that TikTok has controls in place, but that the design of the controls and their respective control objectives was not sufficient and appropriate to meet the Specified Requirements.
2. Identified that through substantive procedures we were able to evaluate the Specified Requirements effectively and efficiently.
3. Evaluated, for each recommender system in scope, the design and implementation of the options that are not based on profiling and determined that these options are designed and implemented in a way to meet the Specified Requirements. As part of these substantive procedures, we have:
 - inquired with relevant personnel on the design and implementation of the options not based on profiling;
 - identified that TikTok uses location (i.e., country) in the options not based on profiling;
 - inquired and assessed with TikTok on whether the user location could be considered as profiling under Article 4, point (4) of Regulation (EU) 2016/679 and identified that according to the benchmark provided by TikTok, determining the country of a user for ad targeting or delivery does not fall within the definition of ‘profiling’, as the objective is not to ‘evaluate certain personal aspects relating to a natural person’;
 - inspected the design documentation for the options not based on profiling for each of the recommender systems in scope and identified that these are appropriate to meet the Specified Requirements;
 - inspected, for each of the recommender systems in scope, the design and implementation of the code configurations of the options not based on profiling and determined that these are designed and implemented in a way to meet the Specified Requirements.
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures instead of control test procedures due to observations concerning the design of the controls and their respective control objectives as we identified that these were not sufficient and appropriate to meet the Specified Requirements.

Recommendations on specific measures:

We recommend that TikTok strengthens the design of existing controls and implements additional controls to meet the Specified Requirements throughout the Evaluation Period. For example, we recommend implementing a control covering a periodic review, for each of the recommender systems in scope, of the functionalities to opt out for profiling as defined in Article 4, point (4), of Regulation (EU) 2016/679.

Furthermore, we recommend TikTok to perform a risk assessment aimed at identifying the IT risks concerning the operating effectiveness of the automated functionalities and automated controls in scope. Consequently, we recommend TikTok to implement or further strengthen General IT Controls to mitigate these risks to a sufficient level.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

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| Obligation: 39(1) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall compile and make publicly available in a specific section of their online interface, through a | Materiality threshold: N/A |
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| | <p>searchable and reliable tool that allows multicriteria queries and through application programming interfaces, a repository containing the information referred to in 39(2), for the entire period during which they present an advertisement and until one year after the advertisement was presented for the last time on their online interfaces. They shall ensure that the repository does not contain any personal data of the recipients of the service to whom the advertisement was or could have been presented and shall make reasonable efforts to ensure that the information is accurate and complete.</p> | |
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Conclusion:

Unable to audit – Disclaimer of opinion.

Explanation of the circumstances and the reasons why this obligation could not be audited:

1. The Commission has opened formal proceedings against TikTok as of 19 February 2024, to assess potential non-compliance with Article 39(1) of the Digital Services Act. These proceedings by the Commission indicate that measures put in place by TikTok may not be compliant with the Specified Requirements of Article 39(1).
2. We have not been able to obtain all relevant information associated with the proceedings, including the reasons for and/or benchmarks/criteria underlying the formal proceedings.
3. This results in the circumstance beyond the control of the audited provider, that we cannot obtain all documentation and understanding considered necessary to identify all risks which could impact TikTok’s ability to comply with the Specified Requirements, in all material respects, and to adequately design the nature, timing and extent and performance of our procedures to assess compliance with Article 39(1).

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| <p>Obligation: 39(2)</p> | <p>Specified Requirements: <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to ensure that the advertisement repository includes at least the following information:</p> <ol style="list-style-type: none"> a) the content of the advertisement, including the name of the product, service or brand and the Subject Matter of the advertisement; b) the natural or legal person on whose behalf the advertisement is presented; c) the natural or legal person who paid for the advertisement, if that person is different from the person referred to in point (b); d) the period during which the advertisement was presented; e) whether the advertisement was intended to be presented specifically to one or more particular groups of recipients of the service and, if so, the main parameters used for that purpose including, where applicable, the main parameters used to exclude one or more of such particular groups; f) the commercial communications published on TikTok pursuant to Article 26(2); g) the total number of recipients of the service reached and, where applicable, aggregated numbers broken down by Member State for the group or groups of recipients that the advertisement specifically targeted. | <p>Materiality threshold: <i>For the procedures where we relied on controls:</i> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> <p><i>For the substantive procedures:</i> Deviations over 5% where cases do not meet the Specified Requirements, specifically where the advertisement repository did not accurately or completely include the information throughout the Evaluation Period.</p> |
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Conclusion:

Negative – In our opinion, except for the effects of the material non-compliance described in the following paragraph, the Specified Requirements are met throughout the Evaluation Period, in all material respects.

Reason(s) for the conclusion:

We identified that the automated interface for specifically commercial communication content, designed to populate the advertisement repository (TikTok’s ‘Commercial Content Library’ or ‘CCL’), has not been operating effectively throughout the Evaluation Period. This has resulted in incomplete data integration of commercial communication content in the advertisement repository (CCL).

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that the Commercial Content Library (CCL) includes at least the information outlined in Article 39(2).
3. Tested the processes and controls supporting the control objective above and identified that, except for the observation identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and were informed that the CCL is populated with data from two sources: i) ‘advertisement’ from TikTok Ads Manager; and ii) ‘commercial communication’ from TikTok Creator Marketplace; we were informed that interfaces are in place to populate the content from these sources in the CCL;
 - inspected for both interfaces, through one instance and by assessing the code configuration, that the CCL is populated with the data in points (a) to (g) as described in the Specified Requirements.
4. Identified that TikTok could not provide sufficient evidence to support the operating effectiveness of the monitoring controls concerning both interfaces.
5. We were informed by TikTok about their observations as described in the ‘Reason(s) for the conclusion’ concerning commercial content and therefore only performed mitigating procedures concerning advertisements following the observations as described under point 4.
6. We reviewed a random selection of advertisements from TikTok Ads Manager and identified that the data as described in points (a) to (g) of the Specified Requirements reconciled to CLL.

Changes to the audit procedures and/or systems and functionalities during the audit:

We performed substantive procedures in addition to the control test procedures due to the observation as described under point 4.

Recommendations on specific measures:

We recommend TikTok to implement effective monitoring controls, including a sufficient and appropriate audit trail, concerning the interfaces between TikTok Ads Manager and TikTok Creator Marketplace and CCL.

Recommended timeframe to implement specific measures:

1 September 2024 to 30 June 2025

Obligation:
39(3)

Specified Requirements:

Audit criteria:

Processes and controls are appropriately designed and operate effectively to ensure that, where TikTok has removed or disabled access to a specific advertisement based on alleged illegality or incompatibility with its terms and conditions, the repository shall not include the information referred to in Article 39(2), points (a), (b) and (c). In such case, the repository shall include, for the specific advertisement concerned, the information referred to in Article 17(3), points (a) to (e), or Article 9(2), point (a)(i), as applicable

Materiality threshold:

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to comply with the audit criteria.
2. Identified that TikTok’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that TikTok’s commercial content in the advertisement repository (CCL) no longer provides information (on the name of the product, service or brand and the Subject Matter of the advertisement) for advertisements which have been removed or with disabled access, based on alleged illegality or incompatibility with its terms and conditions.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with the control owners and were informed that where TikTok has removed or disabled access to a specific advertisement based on alleged illegality or incompatibility with its terms and conditions, the advertisement is included in the CCL with a link to the statement of reason including the information referred to in Article 17(3), points (a) to (e);
 - inspected, through one instance and by assessing the code configuration, that the advertisement content is not shown when the status of the advertisement is set to ‘rejected’;
 - inspected, through one instance and by assessing the code configuration, that a link to the rejection reason is made available showing the statement of reason for removal;
 - inspected, through one instance and by assessing the code configuration, the information in the statement of reason and identified that points (a) to (e) of Article 17 are included (if applicable).
4. Identified that TikTok could not provide sufficient information to evaluate the design, implementation, and operating effectiveness of General IT Controls (GITC) supporting the systems underlying the functionalities and the associated controls tested, specifically related to change management and identity access management.
5. To mitigate the observation above, we performed substantive procedures to assess the changes to the code configuration in the Evaluation Period and identified that these changes did not impact the operating effectiveness of the functionalities and the associated controls in scope.

Changes to the audit procedures and/or systems and functionalities during the audit:

Additional substantive procedures were performed to mitigate the observations under point (4) to a sufficient level.

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| Obligation: 40(12) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall give access without undue delay to data, including, where technically possible, to real-time data, provided that the data is publicly accessible in their online interface by researchers, including those affiliated to not-for-profit bodies, organizations and associations, who comply with the conditions set out in Article 40(8), points (b), (c), (d) and (e), and who use the data solely for performing research that contributes to the detection, identification and understanding of systemic risks in the Union pursuant to Article 34(1). | Materiality threshold: N/A |
| Conclusion: Unable to audit – Disclaimer of opinion. | | |
| Explanation of the circumstances and the reasons why this obligation could not be audited: <ol style="list-style-type: none"> 1. The Commission has opened formal proceedings against TikTok as of 19 February 2024, to assess potential non-compliance with Article 40(12) of the Digital Services Act. These proceedings by the Commission indicate that measures put in place by TikTok may not be compliant with the Specified Requirements of Article 40(12). | | |

2. We have not been able to obtain all relevant information associated with the proceedings, including the reasons for and/or benchmarks/criteria underlying the formal proceedings.
3. This results in the circumstance beyond the control of the audited provider, that we cannot obtain all documentation and understanding considered necessary to identify all risks which could impact TikTok's ability to comply with the Specified Requirements, in all material respects, and to adequately design the nature, timing and extent and performance of our procedures to assess compliance with Article 40(12).

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| Obligation: 41(1) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that TikTok establishes a compliance function, which is independent from their operational functions and composed of one or more compliance officers, including the head of the compliance function. That compliance function shall have sufficient authority, stature, and resources, as well as access to the management body of TikTok to monitor the compliance of that provider with the Act. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
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Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that a compliance function is established which is independent from TikTok's operational functions and composed of one or more compliance officers, including the head of the compliance function.
 - Controls provide reasonable assurance that the compliance function is provided with sufficient authority, stature and resources, and access to TikTok's management body, to monitor TikTok's compliance with the Act.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with the control owners;
 - inquired with the relevant contacts of the DSA compliance function, including the head of the DSA compliance function, and confirmed that they have the relevant experience and sufficient knowledge and resources to perform their job;
 - inspected the Terms of Reference and determined it sets out the responsibilities, duties, governance, and activities of the independent compliance function. The Terms of Reference is reviewed and approved by the Board of Management;
 - inspected the governance structure and confirmed that the compliance function has a direct reporting line into the Board of Management of TikTok Technology Limited;
 - inspected board meeting minutes on the organizational chart and confirmed that the structure is approved by the Board of Management. This structure ensures the compliance function is an independent senior manager who reports and can escalate issues directly to the Board of Management.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

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| Obligation: 41(2) | Specified Requirements: Audit criteria: <p>Processes and controls are appropriately designed and operate effectively to ensure that the management body of TikTok ensures that compliance officers have the professional qualifications, knowledge, experience, and ability necessary to fulfill the tasks referred to in Article 41(3).</p> <p>The management body of TikTok shall ensure that the head of the compliance function is an independent senior manager with distinct responsibility for the compliance function.</p> <p>The head of the compliance function shall report directly to the management body of TikTok and may raise concerns and warn that body where risks referred to in Article 34 or non-compliance with this Regulation affect or may affect TikTok, without prejudice to the responsibilities of the management body in its supervisory and managerial functions.</p> <p>The head of the compliance function shall not be removed without prior approval of the management body of TikTok.</p> | Materiality threshold: <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| Conclusion: <p>Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> | | |
| Audit procedures, results and information relied upon: <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that compliance officers have the professional qualifications, knowledge, experience, and ability needed to fulfil the tasks referred to in Article 41(3). • Controls provide reasonable assurance that the head of the compliance function is an independent senior manager with distinct responsibility for the DSA compliance function. • Controls provide reasonable assurance that the head of the compliance function reports directly to the Board of Managers and is able to raise concerns and warn the Board of Managers where risks referred to in Article 34 or non-compliance with the DSA affect or may affect the Platform. • Controls provide reasonable assurance that the head of the compliance function is not removed without prior approval of the Board of Managers of TikTok. 3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with the control owners; • inquired with the relevant contacts of the DSA compliance function, including the head of the DSA compliance function, and confirmed that she has the relevant experience and sufficient knowledge and qualifications to fulfill the tasks referred to in Article 41(3); • inspected the job description of the head of the DSA compliance function and identified that the requirements are appropriate to meet the Specified Requirements; • inspected that the required experiences of the head of the DSA compliance function match the job requirements by comparing the resume of the head of the DSA compliance function to the job description; • inspected the Terms of Reference and determined it sets out the responsibilities, duties, governance, and activities of the independent compliance function. The Terms of Reference is reviewed and approved by the Board of Directors; | | |

- inspected board meeting minutes and confirmed that the Terms of Reference and the appointment of the head of the DSA function is approved by the Board of Directors. This structure ensures the head of the DSA compliance function is an independent senior manager who reports and can escalate issues directly to the Board of Directors.
 - Inspected the Terms of Reference and determined the head of compliance function cannot be removed without prior approval of the Board of Directors.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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|-----------------------------|---|---|
| Obligation: 41(3) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that compliance officers shall have the following tasks: <ol style="list-style-type: none"> a) cooperating with the Digital Services Coordinator of establishment and the Commission for the purpose of the Act; b) ensuring that all risks referred to in Article 34 are identified and properly reported on and that reasonable, proportionate, and effective risk-mitigation measures are taken pursuant to Article 35; c) organizing and supervising the activities of TikTok relating to the independent audit pursuant to Article 37; d) informing and advising the management and employees of TikTok about relevant obligations under the Act; e) monitoring the compliance of TikTok with its obligations under the Act; f) where applicable, monitoring the compliance of TikTok with commitments made under the codes of conduct pursuant to Articles 45 and 46 or the crisis protocols pursuant to Article 48. * <p style="font-size: small; margin-top: 10px;">* The codes of conduct pursuant to Articles 45 and 46, and the crisis protocols pursuant to Article 48, are not in the scope of the audit, therefore no opinion is formed on obligation 41(3)(f).</p> | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
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Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that compliance officers have responsibility for the tasks set out in Article 41(3), points (a) to (f).

3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with the control owners;
 - inquired with the relevant contacts of the compliance function and legal function and confirmed that they have responsibility for the tasks set out in Article 41(3), points (a) to (f);
 - inspected the Terms of Reference and identified that they have responsibilities for the tasks set out in Article 41(3), points (a) to (f);
 - inspected, as part of our audit procedures under Articles 41(1) and 41(2), that the head of the DSA compliance function is an independent senior manager who reports directly to the Board of Directors;
 - observed, as part of our audit procedures, that the compliance officers were monitoring the compliance of TikTok with its obligations under the Act as well as organizing and supervising the independent audit.
 - inspected a random selection of the meeting minutes and identified that periodic progress and status update meetings have been held in which the head of the DSA compliance function reported to the Board of Directors.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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| Obligation: 41(4) | Specified Requirements: <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall communicate the name and contact details of the head of the compliance function to the Digital Services Coordinator of Ireland and to the Commission. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. | | |
| Audit procedures, results and information relied upon: <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that TikTok communicates the name and contact details of the head of the compliance function to the Digital Services Coordinator of the establishment and to the Commission. 3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with the control owners; • inquired with the relevant contacts of the compliance function and identified that the name and contact details of the head of the compliance function were communicated to the Digital Services Coordinator of Ireland (i.e., Coimisiún na Meán) and the Commission; • inspected the communication between TikTok and the Digital Service Coordinator and between TikTok and the Commission and confirmed that the name and contact details were shared within | | |

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| <p>five working days of the appointment of the head of the DSA compliance function and before the start of the Evaluation Period.</p> <p>4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.</p> <p>Changes to the audit procedures and/or systems and functionalities during the audit: N/A</p> |
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|-------------------------------------|---|---|
| <p>Obligation: 41(5)</p> | <p>Specified Requirements: <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to ensure the management body of TikTok shall define, oversee and be accountable for the implementation of TikTok's governance arrangements that ensure the independence of the compliance function, including the division of responsibilities within TikTok, the prevention of conflicts of interest, and sound management of systemic risks identified pursuant to Article 34.</p> | <p>Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
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|--|
| <p>Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that defining, overseeing, and being accountable for the implementation of TikTok's governance arrangements ensure the independence of the compliance function, including the division of responsibilities within TikTok's organization, the prevention of conflicts of interest, and sound management of systemic risks identified pursuant to Article 34. 3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with the control owners; • inspected the Terms of Reference and determined that the compliance function is independent of the operational functions and receives its instructions from the Board of Directors; • inspected the Terms of Reference and determined it sets out the responsibilities, duties, governance, and activities of the independent compliance function. The Terms of Reference is reviewed and approved by the Board of Directors; • inspected the Terms of Reference and determined that this includes responsibilities for the TikTok management body to manage the systemic risks identified; • inspected the risk management policy framework and identified that in design this is appropriate to meet the Specified Requirements; • inspected meeting minutes that include the approval of the Board of Directors of the risk management policy framework; • inspected a random selection of the meeting minutes and identified that periodic progress and status update meetings have been held in which the head of the DSA compliance function reported to the Board of Directors; and we determined that the meeting minutes cover the topics to meet the Specified Requirements. |
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4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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|---|---|---|
| Obligation: 41(6) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure the management body shall approve and review periodically, at least once a year, the strategies, and policies for taking up, managing, monitoring, and mitigating the risks identified pursuant to Article 34 to which TikTok is or might be exposed. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. | | |
| Audit procedures, results and information relied upon: <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, under the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that the TikTok Ireland Board approves and reviews periodically, at least once a year, the strategies, and policies for taking up, managing, monitoring, and mitigating the risks identified pursuant to Article 34 to which TikTok is or might be exposed. 3. Tested the controls under the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> • inquired with control owners; • inspected the Online Safety Risk Management Policy. The Online Safety Risk Management Policy was adopted by the Board of Directors on 22 August 2023. We verified the approval of management on 29 June 2023, confirming the adaptation on 22 August 2023. Based on inquiry we noted that there have been no changes to the Online Safety and Risk Management Policy since 22 August 2023, and therefore there have been no changes to the Online Safety and Risk Management Policy during the period under review. Since the DSA requires the policy to be reviewed at least annually, we determined that based on the review at the time of adaptation (i.e., 22 August 2023) the corresponding control objective is met. | | |
| Changes to the audit procedures and/or systems and functionalities during the audit: N/A | | |

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|-----------------------------|---|---|
| Obligation: 41(7) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure the management body shall devote sufficient time to the consideration of the measures related to risk management. It shall be actively involved in the decisions related to risk management and shall ensure that adequate resources are allocated to the management of the risks identified in accordance with Article 34. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
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Conclusion:

Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that TikTok’s controls, under the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that the TikTok Ireland Board devotes sufficient time to the consideration of the measures related to risk management and is actively involved in the decisions related to risk management.
 - Controls provide reasonable assurance that the TikTok Ireland Board ensures that adequate resources are allocated to the management of the risks identified in accordance with Article 34.
3. Tested the controls under the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners;
 - inquired with one of the Board of Managers of TikTok and confirmed the Board of Directors’ involvement in the systemic risk assessment process (i.e., Article 34);
 - inspected the Online Safety Risk Management Policy and determined that the policy encourages a proportionate risk-based approach and allocates resources accordingly. Any changes to this document must be approved by the Board of Directors. This document is reviewed at least annually. The Online Safety Risk Management Policy was adopted by the Board of Directors on 22 August 2023;
 - inspected the Online Safety Risk Management Policy and determined that changes to the document must be approved by the Board of Directors;
 - inspected the Online Safety Oversight Committee Terms of Reference (OSOC ToR) and determined that the OSOC is appointed by the Board of Directors of TikTok to ensure that adequate resources are allocated to the management of the risks identified in accordance with Article 34. The Board maintains overall oversight and accountability;
 - inspected internal review notes and identified that the appropriate stakeholders from the Board of Directors of TikTok were involved in the process of approving the systemic risk assessment report prior to providing the report to the Commission.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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| <p>Obligation: 42(1)</p> | <p>Specified Requirements: <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall publish the reports referred to in Article 15 at the latest by two months from the date of application referred to in Article 33(6), second subparagraph, and thereafter at least every six months.</p> | <p>Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> |
| <p>Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p>Audit procedures, results and information relied upon:</p> <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. | | |

2. Identified that TikTok’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that TikTok will publish the reports referred to in Article 15 at the latest by two months from the date of application referred to in Article 33(6), second subparagraph, and thereafter at least every six months.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with the control owners;
 - inspected the transparency reports, on TikTok’s Transparency Center, referred to in Article 15 and determined that they were published within two months from the date of application referred to in Article 33(6), and thereafter within six months. The first transparency report covered the period 1 September 2023 to 30 September 2023 and the second transparency report covered the period 1 October 2023 to 31 December 2023.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

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| Obligation: 42(2) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that following information is accurately presented in the transparency report referred to in Article 15(1): <ol style="list-style-type: none"> a) the human resources that the provider of very large online platforms dedicates to content moderation in respect of the service offered in the Union, broken down by each applicable official language of the Member States, including for compliance with the obligations set out in Articles 16 and 22, as well as for compliance with the obligations set out in Article 20; b) the qualifications and linguistic expertise of the persons carrying out the activities referred to in point (a), as well as the training and support given to such staff; c) the indicators of accuracy and related information referred to in Article 15(1), point (e), broken down by each official language of the Member States. <p>The transparency reports shall be published in at least one of the official languages of the Member States.</p> | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| Conclusion: Positive – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. | | |
| Audit procedures, results and information relied upon: <ol style="list-style-type: none"> 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. 2. Identified that TikTok’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> • Controls provide reasonable assurance that TikTok’s transparency reports are published in at least one of the official languages of the Member States. • Controls provide reasonable assurance that TikTok’s transparency report is published within two months of the date of application referred to in Article 33(6), second subparagraph, and thereafter at least every six months. • Controls provide reasonable assurance that TikTok’s transparency reports include information on the human resources dedicated to content moderation in respect of the service in the Union. | | |

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| <ul style="list-style-type: none"> • Controls provide reasonable assurance that TikTok’s transparency reports include information on the human resources dedicated to content moderation and is broken down by each applicable official language of the Member States. • Controls provide reasonable assurance that TikTok’s transparency reports include information on the qualifications and linguistic expertise of the persons carrying out content moderation activities. • Controls provide reasonable assurance that TikTok’s transparency reports include information on the training and support given to the staff carrying out content moderation activities. • Controls provide reasonable assurance that TikTok’s transparency reports include information on the accuracy indicators (referred to in Article 15(1) and point (e)) and is broken down by each official language. <p>3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:</p> <ul style="list-style-type: none"> • inquired with control owners and were informed about the transparency reporting process that includes appropriate validation steps to meet the Specified Requirements; • inspected the metrics scoping and interpretation document and determined that it covers requirements (a), (b) and (c) of the audit criteria and identified that the calculation metrics logic was approved by TikTok Legal; • inspected, through one instance (i.e., metric in the transparency report) that validation steps are performed concerning the scripts used to generate the relevant metrics to ensure the completeness, accuracy, timeliness, consistency, uniqueness, and validity of the metrics included in the transparency reports. Each metric is addressed by a quality control template outlining how the quality control principles are addressed and validated by a data scientist and data engineer; • reviewed a random selection of metrics, for both transparency reports, and re-performed the validation steps; we identified that the performed validation steps were appropriate to ensure the completeness and accuracy of the metrics in the transparency reports; • inspected, for both transparency reports, that the process to prepare the transparency reports included the approval from TikTok Legal to ensure that the metrics in the transparency reports are in line with the metrics scoping and interpretation document and that the metrics are complete and accurate; • inspected that the transparency reports are published in at least one of the official languages of the Member States (i.e., English). <p>Changes to the audit procedures and/or systems and functionalities during the audit: N/A</p> |
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| Obligation: 42(3) | Specified Requirements: <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to ensure the information on the average monthly recipients of the service for each Member State is accurately presented in transparency report. | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| Conclusion: Positive – In our opinion, the Specified Requirements are met during the Evaluation Period, in all material respects. | | |
| Audit procedures, results and information relied upon: 1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. | | |

2. Identified that TikTok’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
 - Controls provide reasonable assurance that TikTok’s transparency report includes information on the average monthly recipients of the service for each Member State.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
 - inquired with control owners and were informed about the transparency reporting process that includes appropriate validation steps to meet the Specified Requirements; furthermore, we are informed that the average monthly active recipients of the service in the Union per Member State are included in the transparency reports;
 - inspected the transparency report webpage (i.e., DSA Transparency Center) from which the reports can be downloaded and identified that both reports are published in PDF (i.e., machine-readable format) and contain the average monthly active recipients of the service in the Union per Member State;
 - inspected the average monthly active recipients methodology document and determined that it describes the scope and methodology to calculate the average monthly active recipients in the Union by Member State; and identified that TikTok followed the Guidance of the Commission for calculating MAU;
 - inspected, for both transparency reports, that validation steps are performed concerning the scripts used to ensure the completeness, accuracy, timeliness, consistency, uniqueness, and validity of the average monthly active recipients included in the transparency reports. A quality control template is in place that outlines how the quality control principles are addressed and validated by a data scientist and data engineer;
 - inspected, for both transparency reports, that the process to prepare the transparency reports included the approval from TikTok Legal to ensure that the metrics in the transparency reports are in line with the metrics scoping and interpretation document and that the metrics are complete and accurate.

Changes to the audit procedures and/or systems and functionalities during the audit:

N/A

| | | |
|-----------------------------|--|---|
| Obligation: 42(4) | Specified Requirements: Audit criteria: Processes and controls are appropriately designed and operate effectively to ensure that TikTok shall transmit to the Digital Services Coordinator of establishment and the Commission, without undue delay upon completion, and make publicly available at the latest three months after the receipt of each audit report pursuant to Article 37(4): <ol style="list-style-type: none"> a) a report setting out the results of the risk assessment pursuant to Article 34; b) the specific mitigation measures put in place pursuant to Article 35(1); c) the audit report provided for in Article 37(4); d) the audit implementation report provided for in Article 37(6); e) where applicable, information about the consultations conducted by the provider in support of the risk assessments and design of the risk mitigation measures. * <p><i>* Please note: Transmission of the audit report and audit implementation report to the Digital Service Coordinator and the Commission will happen outside the Evaluation Period. Therefore, we have not evaluated compliance with Article 42(4), points (c) and (d).</i></p> | Materiality threshold: Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements. |
| Conclusion: | | |

Positive – In our opinion, the Specified Requirements are met during the Evaluation Period, in all material respects.

Audit procedures, results and information relied upon:

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Inquired with control owners and were informed that the risk assessment report, including the specific mitigation measures put in place pursuant to Article 35(1), is submitted by TikTok, without undue delay upon completion, to the Digital Services Coordinator of Ireland (i.e., 'Coimisiún na Meán') and the Commission.
3. Inspected communication between TikTok and the Commission and identified that the Commission acknowledged the receipt of the systemic risk assessment report, including the specific mitigation measures put in place pursuant to Article 35(1), that also included information as described under point (e) of the Specified Requirements; we identified that the report was shared with the Commission without undue delay.
4. Inspected communication between TikTok and the Digital Services Coordinator of Ireland and identified that TikTok shared the systemic risk assessment report, including the specific mitigation measures put in place pursuant to Article 35(1); we identified that the report was shared with the Digital Service Coordinator without undue delay.

Changes to the audit procedures and/or systems and functionalities during the audit:

For efficiency purposes, we performed substantive procedures instead of control test procedures.



Appendix 2 – Test procedures, sampling methodology and General IT Controls

To determine the appropriate testing strategy for TikTok, we conducted walk-throughs to gain an understanding of the processes and controls in place to comply with the Specified Requirements. Based on the results of these walk-throughs, we designed our test strategy to evaluate whether TikTok complies with the Specified Requirements. Our testing approach is divided into two main strategies: control testing and substantive testing.

- *Control testing*: an audit procedure designed to evaluate the operating effectiveness of controls in place to comply with the Specified Requirements.
- *Substantive testing*: an audit procedure designed to detect material misstatements, which can include testing of details (i.e., transactions, disclosures, algorithm systems, etc.).

We have documented our testing strategy for each obligation in [Appendix 1](#), detailing the specific procedures and methodologies used to achieve our audit objectives.

Test procedures

Testing the design, implementation and operating effectiveness of controls or performing substantive analytical procedures includes performing the necessary tests to evaluate whether those controls or procedures are sufficient to provide reasonable but not absolute assurance that TikTok complies with the Specified Requirements during the Evaluation Period.

In selecting procedures, KPMG considered the nature, design, and frequency of the Subject Matter, the Specified Requirements and the expected efficiency and effectiveness of the tests. The following techniques were used to evaluate whether TikTok complies with the Specified Requirements, as is also documented in [Appendix 1](#) of our Independent practitioner’s assurance report:

Control testing procedures

| Procedures | Description |
|----------------------|---|
| <i>Inquiry</i> | Inquiry consists of seeking information from knowledgeable persons and evaluating responses to our inquiries. |
| <i>Observation</i> | Observation consists of looking at a process, system or procedure being performed by TikTok. |
| <i>Inspection</i> | Inspection involves examining records or documents. |
| <i>Reperformance</i> | Reperformance involves our independent execution of procedures or controls that were originally performed as part of the entity’s internal control. |

Substantive test procedures

| Procedures | Description |
|--|---|
| <i>Substantive analytical procedures</i> | We analyze data to identify trends or anomalies that may indicate potential issues. |
| <i>Test of details</i> | We conduct a detailed examination of items to verify their accuracy and compliance with the Specified Requirements; or assess code configurations concerning algorithmic systems. |

Selection sizes for control testing based on the frequency of the control activity

When we test controls, we use our professional judgment to determine the extent of our procedures. The extent of control testing is determined after considering the frequency of the control (e.g., daily, weekly, or monthly), materiality, and the relevant associated risk with the control being tested. Based on the risk associated with the control, the selection size can be increased. We use the following selection sizes:

| Frequency of control activity | Significant + | Significant | Elevated | Base |
|--|---------------|-------------|----------|------|
| <i>Annual</i> | 1 | 1 | 1 | 1 |
| <i>Quarterly</i> | 2 | 2 | 2 | 2 |
| <i>Monthly</i> | 4 | 3 | 3 | 2 |
| <i>Weekly</i> | 11 | 9 | 7 | 5 |
| <i>Daily</i> | 30 | 25 | 20 | 15 |
| <i>Recurring manual control (multiple times per day)</i> | 55 | 45 | 35 | 25 |

Selection size for substantive procedures based on the population size

When we perform substantive procedures, in which we are required to test information, we determine the appropriate selection size based on the number of items in the population and the relevant risk associated with the substantive analytical procedures being performed. We use the following selection sizes:

| Population size | Significant + | Significant | Elevated | Base |
|-------------------|---------------|-------------|----------|------|
| <i>10 or less</i> | 1 | 1 | 1 | 1 |
| <i>11 - 49</i> | 2 | 2 | 2 | 2 |
| <i>50 - 249</i> | 80 | 45 | 25 | 15 |
| <i>250+</i> | 120 | 60 | 30 | 15 |

General IT Controls

For controls designated as 'automated' – meaning they function automatically within a system – their operating effectiveness relies on underlying General IT Controls (GITC). These controls typically encompass various aspects of the IT control environment, including access management, change management, and computer operations. Within these three aspects, several controls are relevant for demonstrating the operating effectiveness of the automated controls in a test.

Examples of the relevant GITC domains:

- *Access management:* If an automated control depends on access that aligns with the job responsibilities of the individual accessing the system and/or control, it is essential to identify and evaluate controls that ensure that logical access permissions are assigned appropriately and accepted widely.
- *Change management:* All automated controls rely on effective change management, whether in the form of configuration-based adjustments or technical changes. In all instances, changes must be overseen through designated change management controls to ensure a high level of confidence that alterations to IT programs and/or configurations are both warranted and appropriate.
- *Computer operations:* Interfaces depend on the effectiveness of computer operations, which include proper monitoring and follow-up processes in the event of incidents. These measures ensure the data integrity of information flows within the interfaces.

Appendix 3 – Template for the audit report referred to in Article 6 of the Delegated Regulation

Section A: General Information

- Audited service:**

TikTok

- Audited provider:**

TikTok Technology Limited

- Address of the audited provider:**

10 Earlsfort Terrace, D02 T380, Dublin

- Point of contact of the audited provider:**

██████████

- Scope of the audit:**

Does the audit report include an assessment of compliance with all the obligations and commitments referred to in Article 37(1) of Regulation (EU) 2022/2065 applicable to TikTok?

Yes, please refer to the [Scope](#) section of the Independent practitioner’s assurance report.

i. Compliance with Regulation (EU) 2022/2065

Obligations set out in Chapter III of Regulation (EU) 2022/2065:

| Audited obligation | Period covered |
|---|--------------------------------|
| A listing of the audited obligations can be found in Appendix 1 of the Independent practitioner’s assurance report. | 28/08/2023 to 30/06/2024 |

ii. Compliance with codes of conduct and crisis protocols

Commitments undertaken pursuant to codes of conduct referred to in Articles 45 and 46 of Regulation (EU) 2022/2065 and crisis protocols referred to in Article 48 of Regulation (EU) 2022/2065:

| Audited commitment | Period covered |
|---------------------------|-----------------------|
| N/A | N/A |

a. Audit start date:

28/08/2023

b. Audit end date:

30/06/2024

Section B: Auditing organization

1. Name(s) of organization(s) constituting the auditing organization

KPMG Advisory N.V.

2. Information about the auditing team of the auditing organization

Koen Klein Tank was the overall responsible person from KPMG Advisory N.V. (professional email address: [REDACTED]). KPMG Advisory N.V. has maintained a list of the team members involved in this reasonable assurance engagement. At KPMG Advisory N.V.'s request, for privacy purposes, the personal names are not being specified in this submission. However, the complete list of team members may be requested if required by the intended users of the Independent practitioner's assurance report.

3. Auditors' qualification

There were more than 20 university-degreed team members involved in the execution of the engagement.

Personnel directing the assurance engagement collectively have significant experience related to auditing the technology industry, performing risk assessment, assessing compliance functions, content moderation, auditing algorithms, privacy matters, GDPR and other related topics.

a. Documents attesting that the auditing organization fulfills the requirements laid down in Article 37(3), point (b) of Regulation (EU) 2022/2065 have been attached as an annex to this report

Response included in [Appendix 6](#).

4. Auditors' independence

b. Declaration of interests

KPMG Advisory N.V. performs reasonable and limited assurance engagements, and related permissible professional services, for TikTok Technology Limited in our capacity as a global assurance, tax, transaction, and advisory services provider.

KPMG Advisory N.V. follows the independence rules for assurance engagements as established by the International Ethics Standards Board for Accountants (IESBA) which requires that auditors are to be independent from and shall not have any conflicts of interest with TikTok.

KPMG monitors independence requirements via various systems and procedures. Specifically:

- **Sentinel:** Sentinel is a secure online application developed to help all Global KPMG member firms to comply with legal and regulatory independence requirements related to the provision of services and to identify potential conflicts of interest with proposed engagements and to manage them. Sentinel prevents any KPMG employee, anywhere in the world, from working with TikTok or its subsidiaries without the approval of the Sentinel Lead Partner. During the DSA Audit RFP process, all services that KPMG provides to TikTok, or its subsidiaries have been assessed by the relevant independence rules in the DSA under Article 37. We have conducted this independence assessment process in accordance with the Dutch independence rules and the international IESBA independence rules.
- **Training:** All partners and client-facing professionals are required to undertake the most recent annual independence training, pass an independence test, and complete an independence confirmation upon joining KPMG and annually thereafter. In addition, all partners and staff are

trained on the requirements laid down in our Code of Conduct via the training 'Acting with Integrity'.

- Confirmation of compliance: Annually, all KPMG partners and staff need to confirm compliance with the requirements of our Code of Conduct, firm policies, and relevant independence rules. The confirmations provided are reviewed and followed up by the firm's Ethics & Independence Partner. In addition, every year, based on a random selection, KPMG partners and staff are subject to a compliance audit performed by the Ethics & Independence department, covering all personal, financial, business and family interests.
- Independence Compliance Declaration (ICD): Independence Confirmation Declaration (ICD) is a digital solution to confirm our independence. Once every 18 months all client-facing employees need to confirm our independence for that client. Before we start an engagement, we ensure that we are currently independent with respect to our clients and during the audit and engagement period. We furthermore confirm that we have signed the most recent (annual) Independence Compliance Confirmation (ICC) and have completed the most recent (annual) independence training before providing services to the clients.

c. References to any standards relevant for the auditing team's independence that the auditing organization(s) adheres to

Refer to the Independent practitioner's assurance report. As noted in the Reasonable Assurance Report, KPMG Advisory N.V. applies the 'Reglement Gedragscode Register IT-Auditors' (Code of Ethics) of NOREA, the IT Auditors Association in the Netherlands, and the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants including International Independence Standards, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Independence is comprised of independence of mind and independence in appearance, both of which are required of the engagement team members engaged in providing reasonable assurance engagements. Independence of mind requires that the members maintain a state of mind that permits the expression of a conclusion without being affected by influences that compromise professional judgment, thereby allowing an individual to act with integrity and exercise objectivity and skepticism. Independence of appearance is achieved by the avoidance of facts and circumstances which are so significant that a reasonable and informed third party would likely conclude – weighing all the specific facts and circumstances – that a firm's or an audit team member's integrity, objectivity, or professional skepticism has been compromised.

d. List of documents attesting that the auditing organization complies with the obligations laid down in Article 37(3), points (a) and (c) of Regulation (EU) 2022/2065 attached as annexes to this report. Attachment 3 and 5 to Annex 1

Our engagement agreement notes our compliance with Article 37 (3) (a) (i). Since this is the first year of the DSA audit requirement, we are, by definition, in accordance with Article 37 ((3) (ii)). Regarding Article 37 ((3) (iii)), we are not performing the audit in return for fees which are contingent on the result of the audit.

5. References to any auditing standards applied in the audit, as applicable

Refer to the Independent practitioner's assurance report. As noted in the Independent practitioner's assurance report, our engagement was conducted in accordance with 'ISAE 3000 (Revised)'. Those standards require that we plan and perform the reasonable assurance engagement to obtain reasonable assurance about whether management's assertion is appropriately stated, in all material respects.

6. References to any quality management standards the auditing organization adheres to, as applicable

We apply the 'Reglement Kwaliteitsbeheersing NOREA' (RKBN, Regulations for quality management systems) as well as the International Standard on Quality Management 1 (ISQM 1). Accordingly, we maintain a comprehensive system of quality control or quality management, including documented policies and procedures regarding compliance with ethical requirements, professional, standards, and applicable legal and regulatory requirements.

Section C: Summary of the main findings

1. Summary of the main findings drawn from the audit (pursuant to paragraph 37(4), point (e) of Regulation (EU) 2022/2065)

A description of the main findings drawn from the audit can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

SECTION C.1: Compliance with Regulation (EU) 2022/2065

a. Audit opinion for compliance with the audited obligations referred to in Article 37(1), point (a) of Regulation (EU) 2022/2065:

The audit opinion for compliance with the audited obligations set out in Chapter III of Regulation (EU) 2022/2065 can be found in the Section [Audit Opinion](#) of the Independent practitioner's assurance report.

b. Audit conclusion for each audited obligation:

The audit conclusion for each audited obligation can be found in [Appendix 1](#).

SECTION C.2: Compliance with voluntary commitments in codes of conduct and crisis protocols

1) Audit opinion for compliance with the commitments made under the Code of Conduct or crisis protocol covered by the audit:

N/A, no codes of conduct and crisis protocols were adopted under the Act in the Evaluation Period.

2) Audit conclusion for each audited commitment:

N/A, no codes of conduct and crisis protocols were adopted under the Act in the Evaluation Period.

Section C.3: Where applicable, explanations of the circumstances and the reasons why an audit opinion could not be expressed

Explanations of the circumstances and the reasons why an audit opinion could not be expressed can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

Section D: Description of the findings: compliance with Regulation (EU) 2022/2065

SECTION D.1: Audit conclusion for obligation

a. Audit conclusion

Description of the audit conclusion, justification, and remarks.

A description of the audit conclusion, justification, and remarks for each audited obligation. Can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

Operational recommendations on specific measures to achieve compliance (where the conclusion is not positive), including an explanation on the materiality of non-compliance and recommended timeframe to achieve compliance, can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

b. Audit procedures and their results

1) Description of the audit criteria and benchmarks (together the 'Specified Requirements'), and materiality threshold used by the auditing organization pursuant to Article 10(2), point (a) of this Regulation:

A description of the audit criteria and benchmarks (together the 'Specified Requirements'), and materiality thresholds used can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

2) Audit procedures, methodologies, and results:

a) Description of the audit procedures performed by the auditing organization, the methodologies used to assess compliance, and the justification of the choice of those procedures and methodologies (including, where applicable, a justification for the choices of standards, benchmarks, sample size(s) and sampling method(s)):

A description of the audit procedures performed, the methodologies used to assess compliance, and a justification of the choice of those procedures and methodologies can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

b) Description, explanation, and justification of any changes to the audit procedures during the audit:

A description, explanation, and justification of any changes to the audit procedures during the audit can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

c) Results of the audit procedures, including any test and substantive analytical procedures:

The results of the audit procedures, including any test and substantive analytical procedures, can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

3) Overview and description of information relied upon as audit evidence, including, as applicable:

An overview and description of information relied upon as audit evidence can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

4) Explanation of how the reasonable level of assurance was achieved:

An explanation of how the reasonable level of assurance was achieved can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

5) In cases when:

a. a specific element could not be audited, as referred to in Article 37(5) of Regulation (EU) 2022/2065, or an audit conclusion could not be reached with a reasonable level

of assurance, as referred to in Article 8(8) of this Regulation, provide an explanation of the circumstances and the reasons:

An explanation of the circumstances in which a specific element could not be audited, or in which an audit conclusion could not be reached with a reasonable level of assurance, can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

6) Notable changes to the systems and functionalities audited during the audited period and explanation of how these changes were taken into account in the performance of the audit.

A list of notable changes to the systems and functionalities audited during the audited period and explanation of how these changes were taken into account in the performance of the audit can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

7) Other relevant observations and findings:

Please see [Appendix 1](#) of the Independent practitioner's assurance report for any other relevant observations and findings.

SECTION D.2: Additional elements pursuant to Article 16 of this Regulation

1) An analysis of the compliance of the audited provider with Article 37(2) of Regulation (EU) 2022/2065 with respect to the current audit:

An analysis of the compliance of TikTok with Article 37(2) of the Act with respect to the current audit can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

2) Description of how the auditing organization ensured its objectivity in the situation described in Article 16(3) of the Delegated Regulation:

N/A, as no previous audits were conducted following Article 37(2) of the Act.

Section E: Description of the findings concerning compliance with codes of conduct and crisis protocol

N/A, no codes of conduct and crisis protocols were adopted under the Act in the Evaluation Period.

Section F: Third parties consulted

N/A, no third parties were consulted.

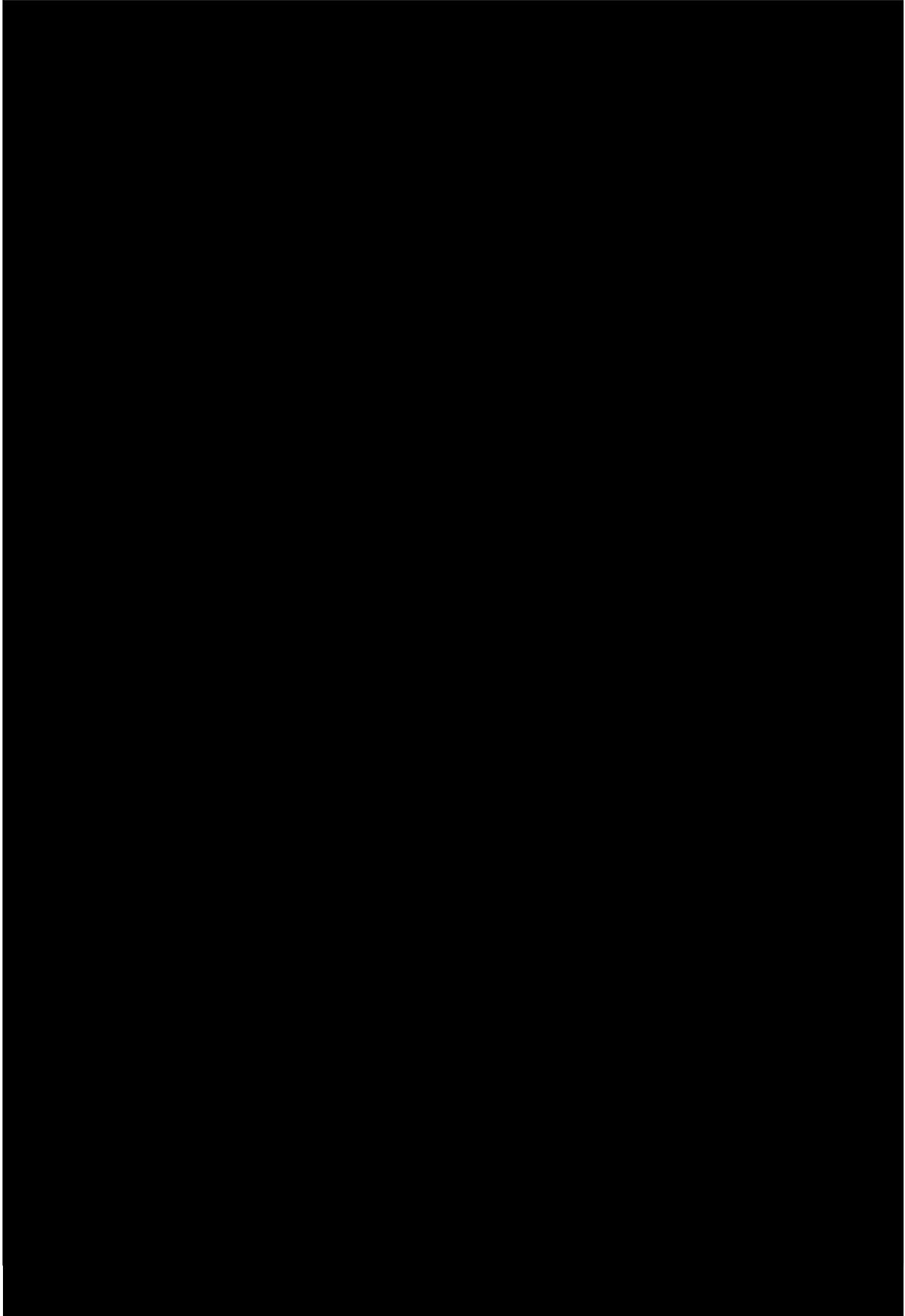
Section G: Any other information the auditing body wishes to include in the audit report (such as a description of possible inherent limitations).

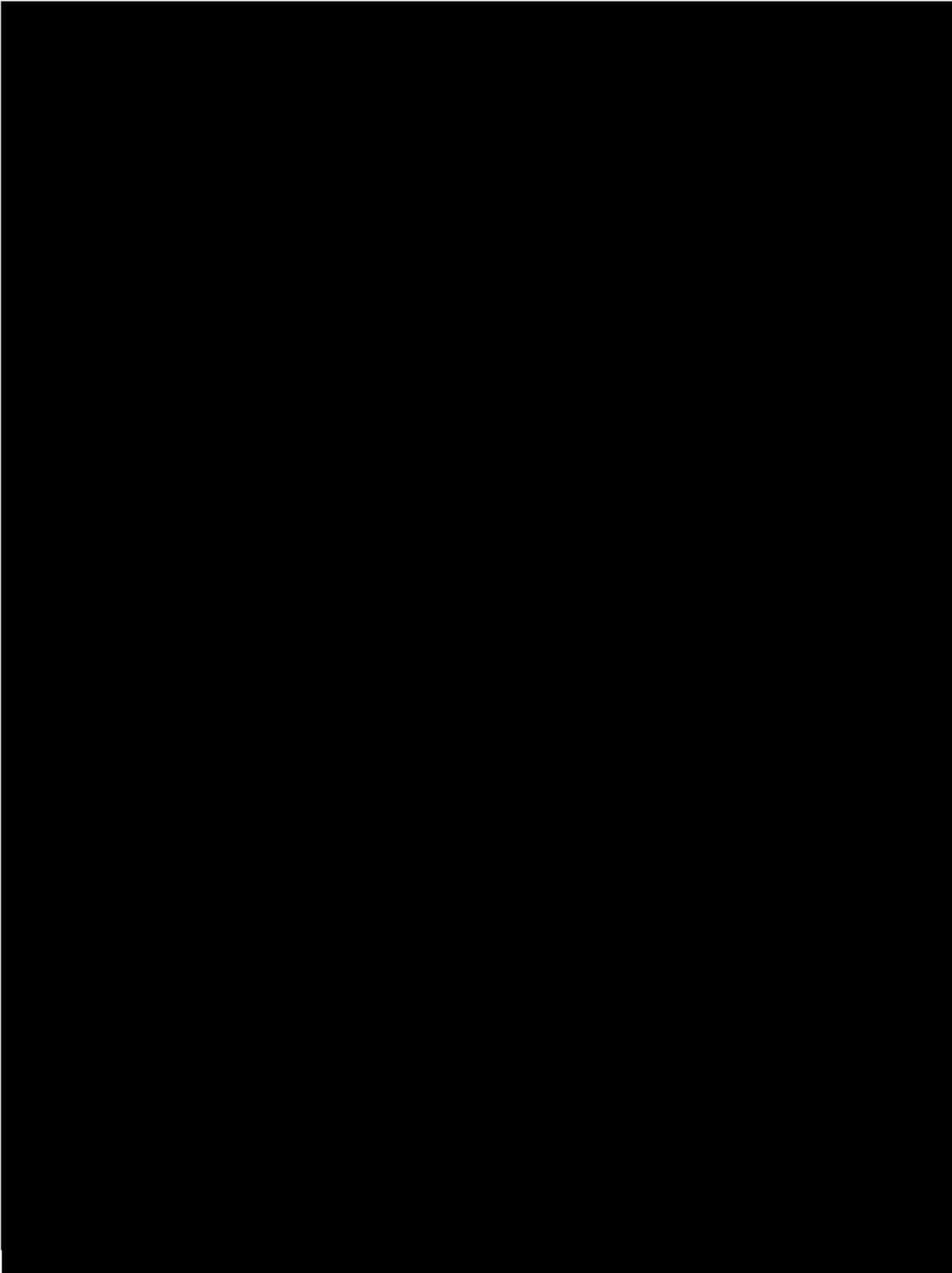
Please refer to the [Independent practitioner's assurance report](#) for additional information.

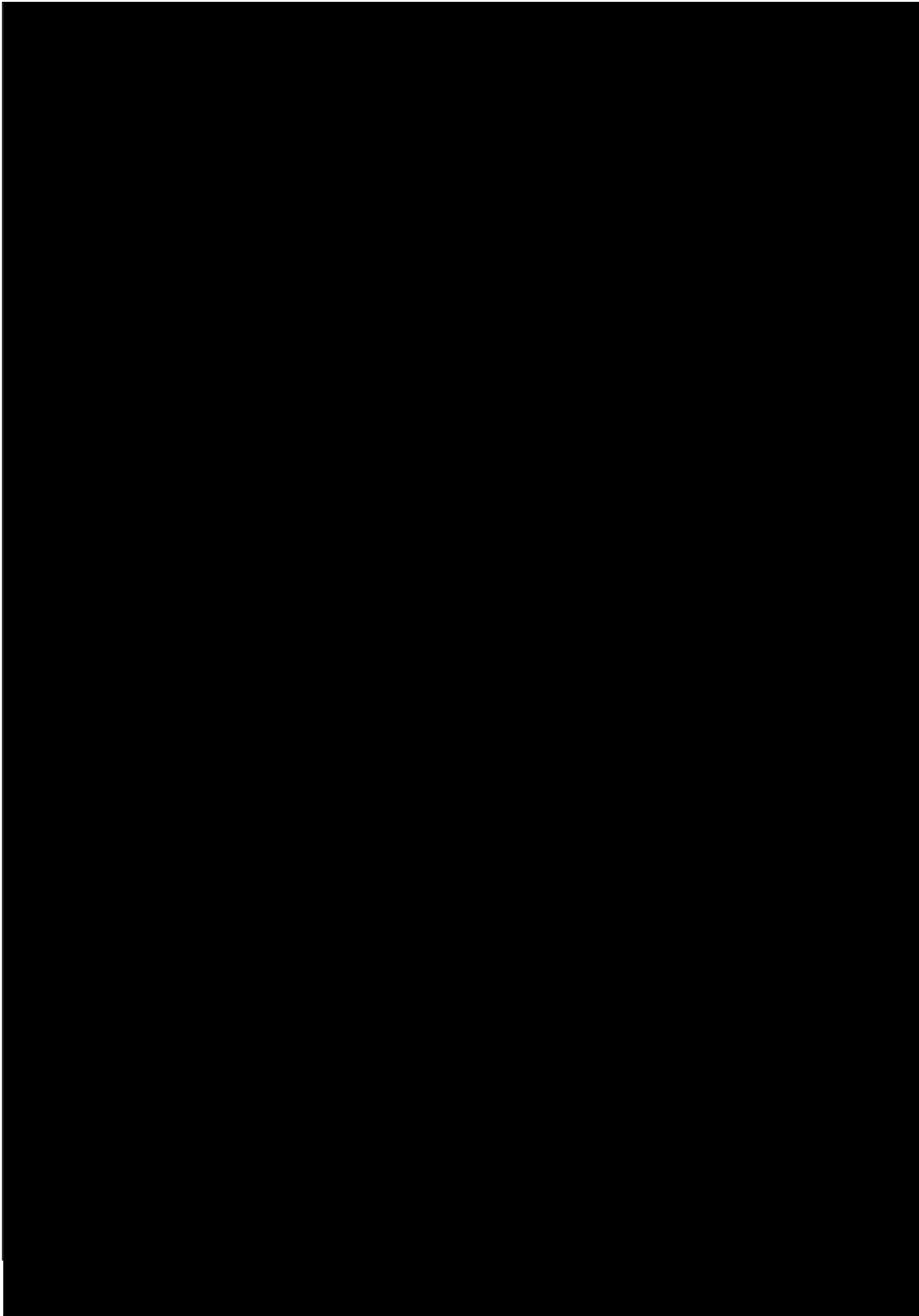
| | | | |
|------------------|-------------------------|--|-----------------------------------|
| Date | 9 September 2024 | Signed by | Koen Klein Tank MSc RE Partner |
| | Place | | Amstelveen |
| Signature | | Refer to page 12 of the <u>Independent practitioner's assurance report</u> | |
| | Responsible for: | | |

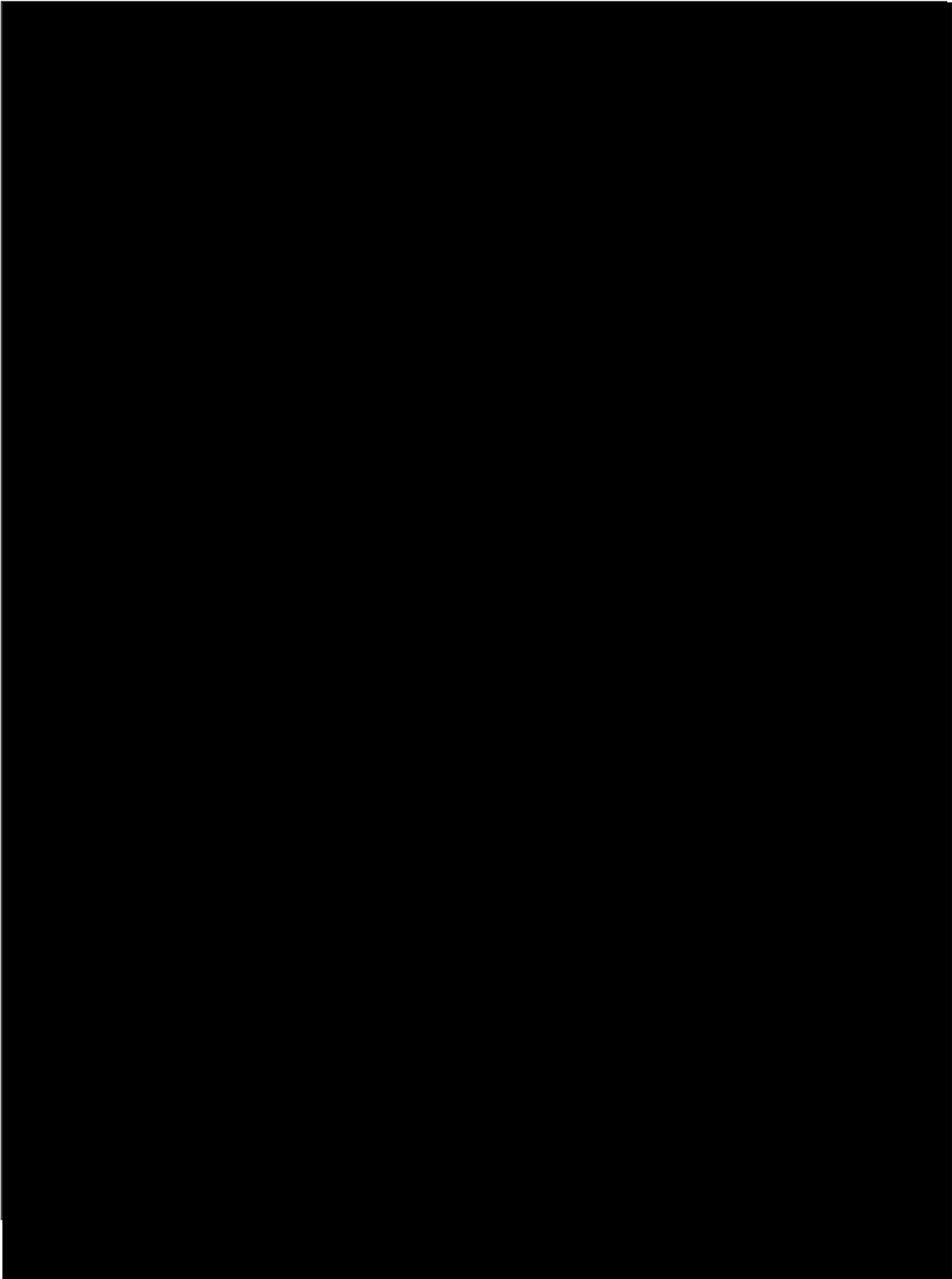


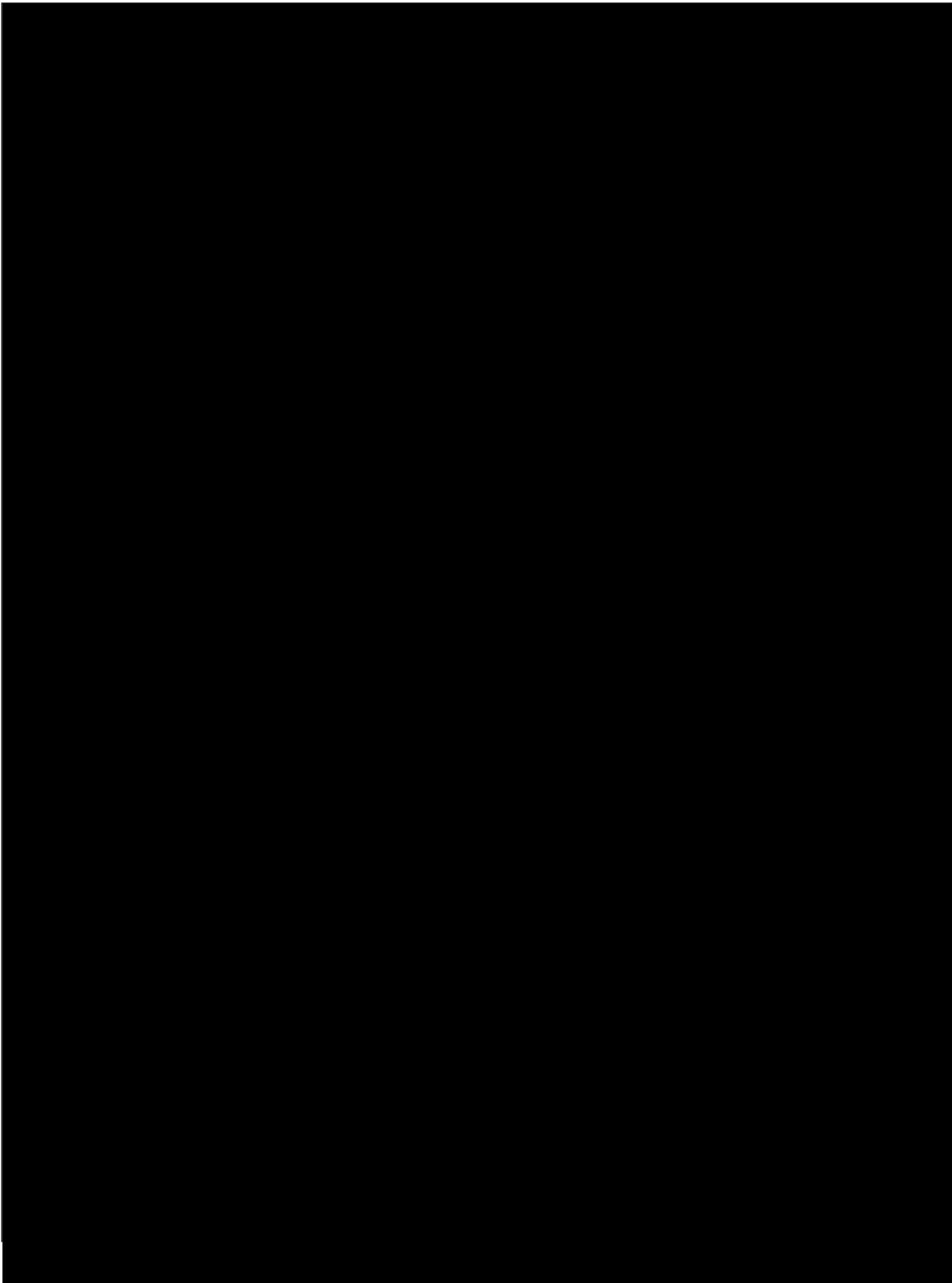
Appendix 4 – Written agreement between TikTok and KPMG

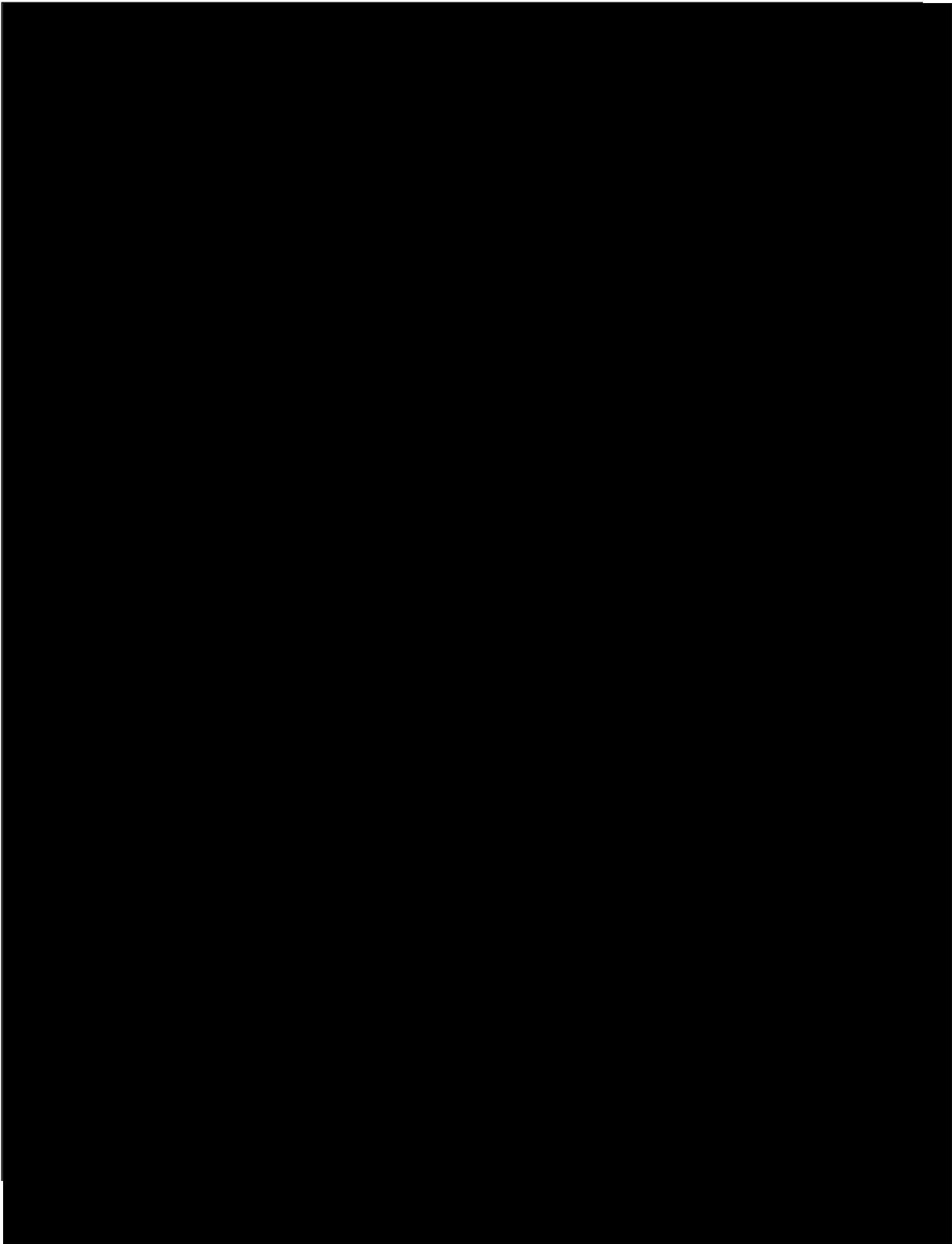


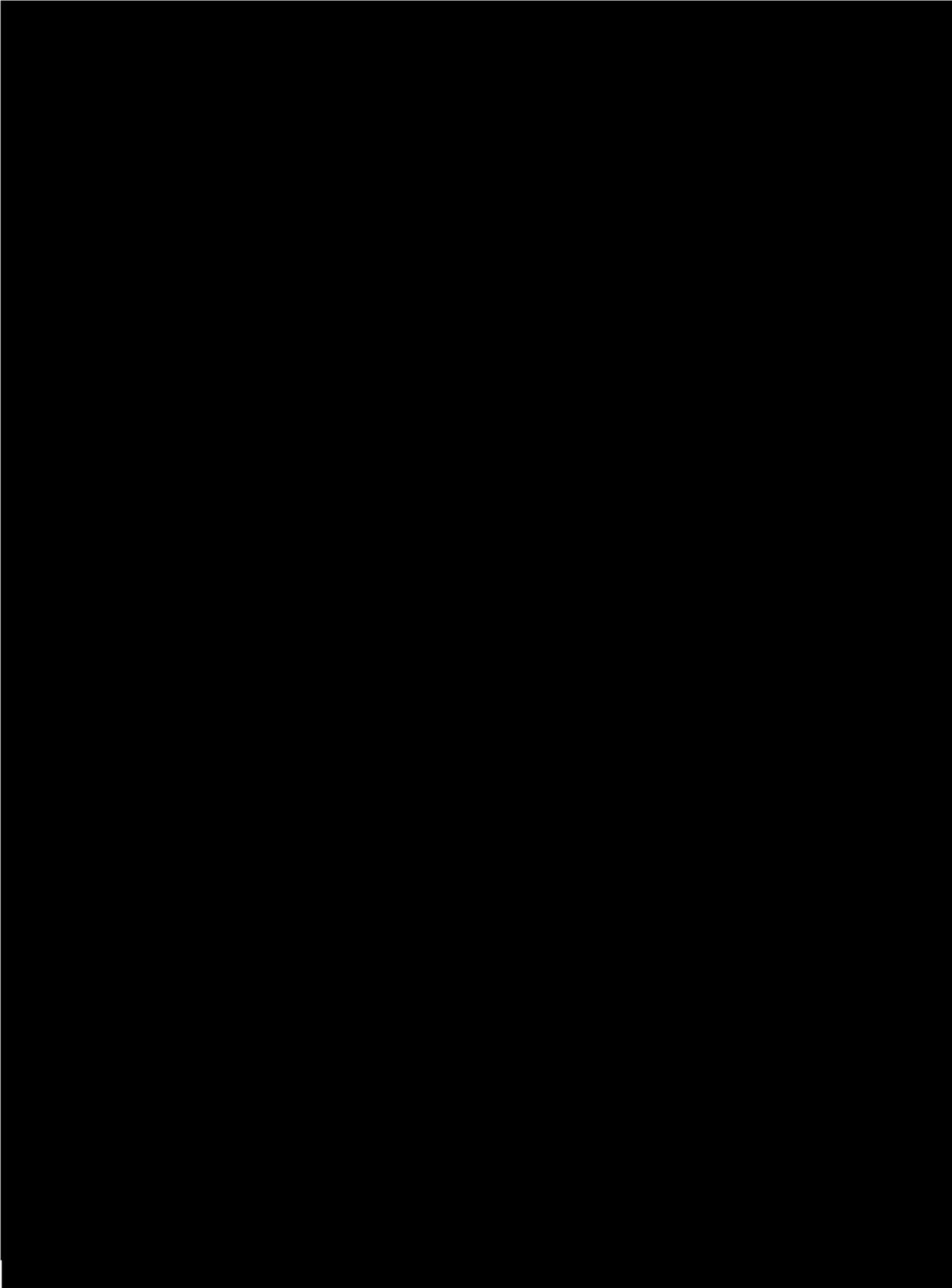


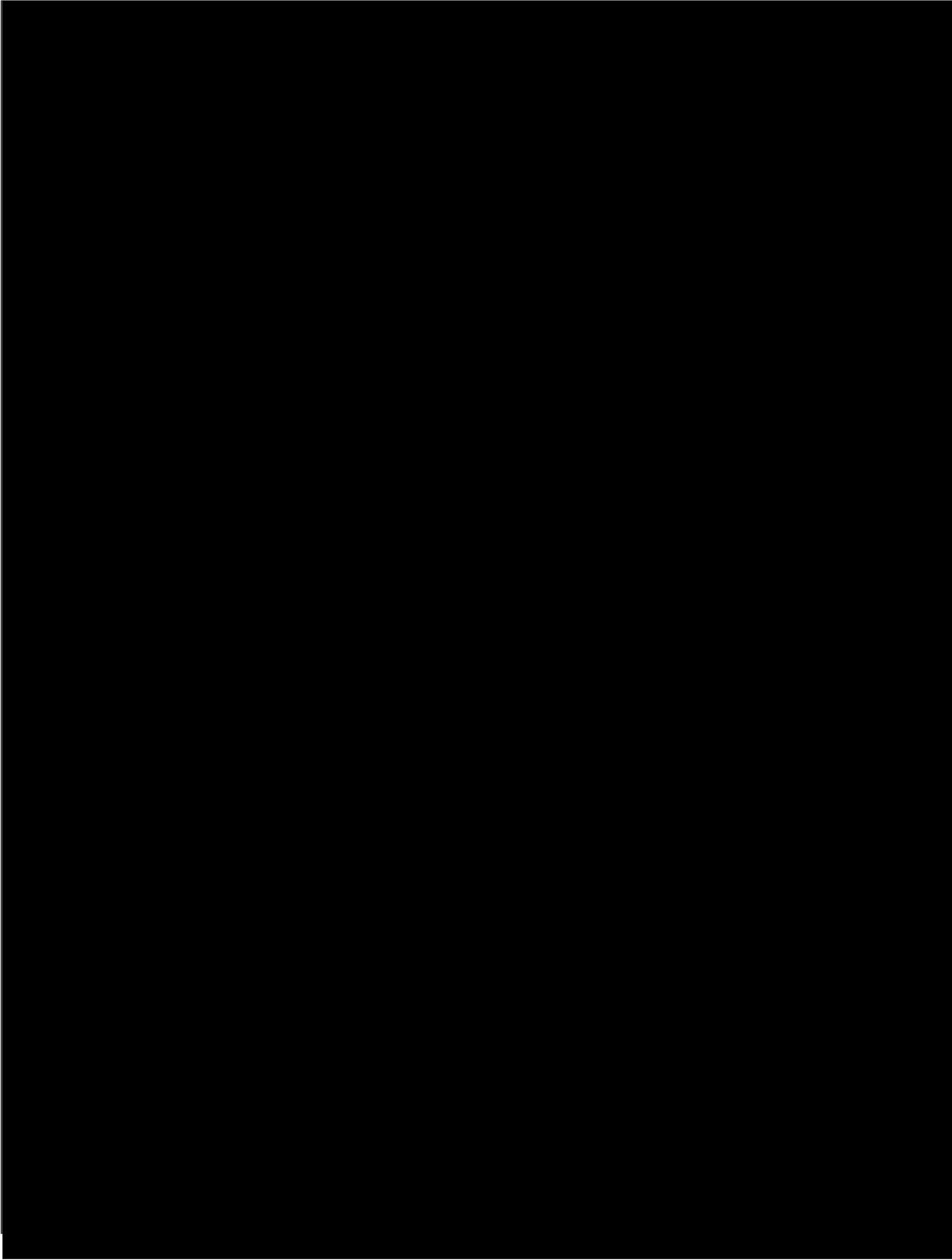


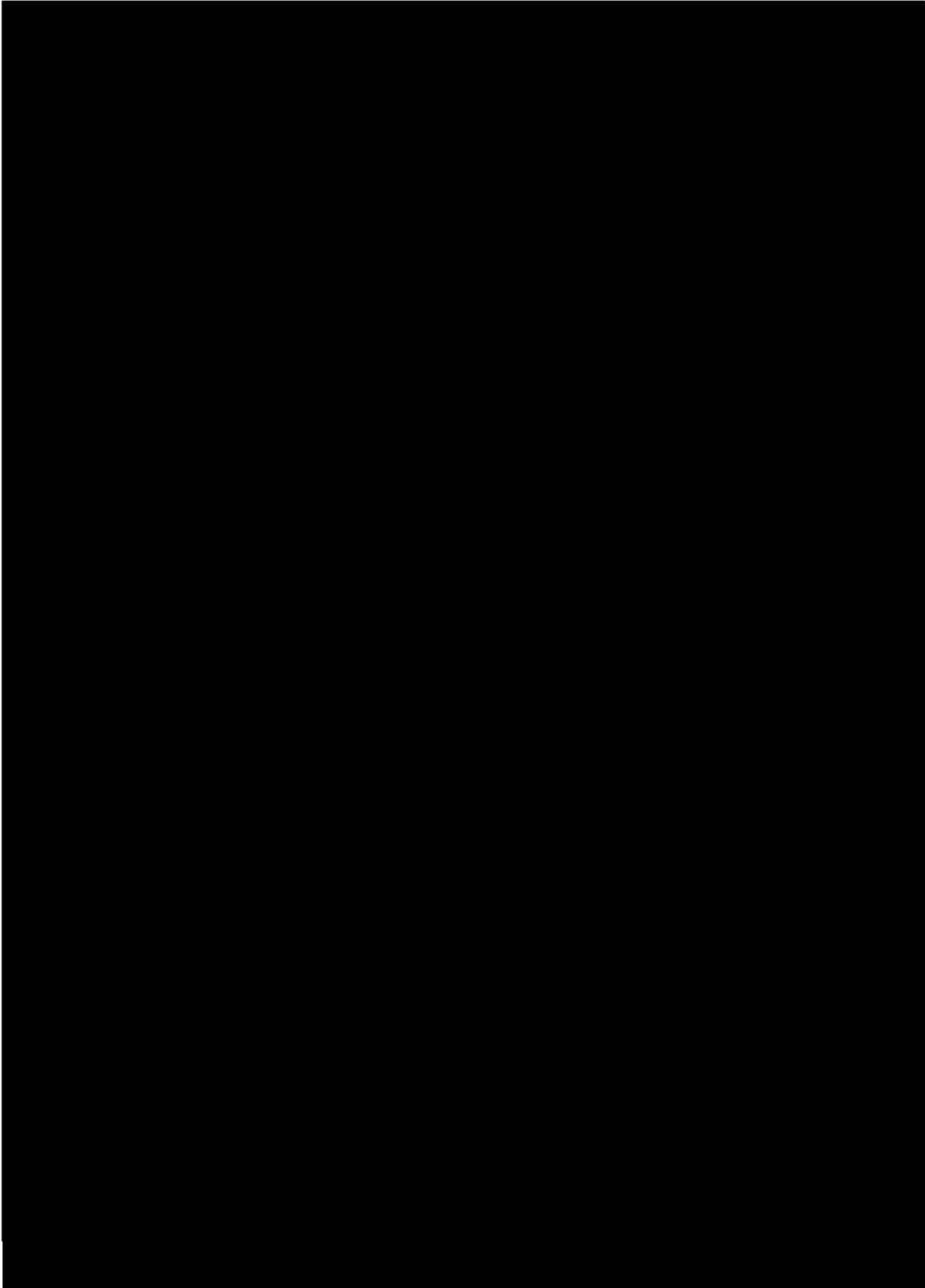


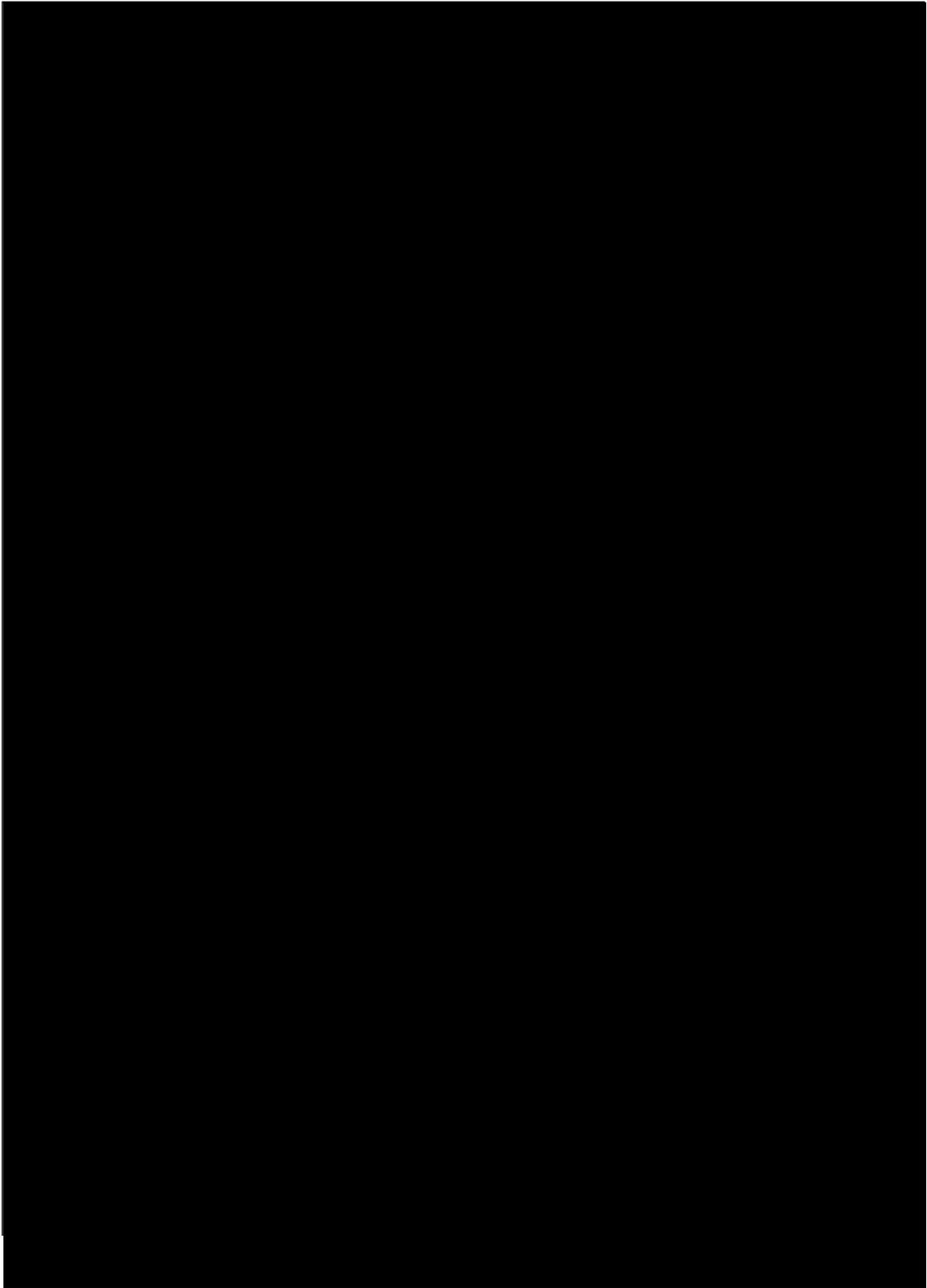


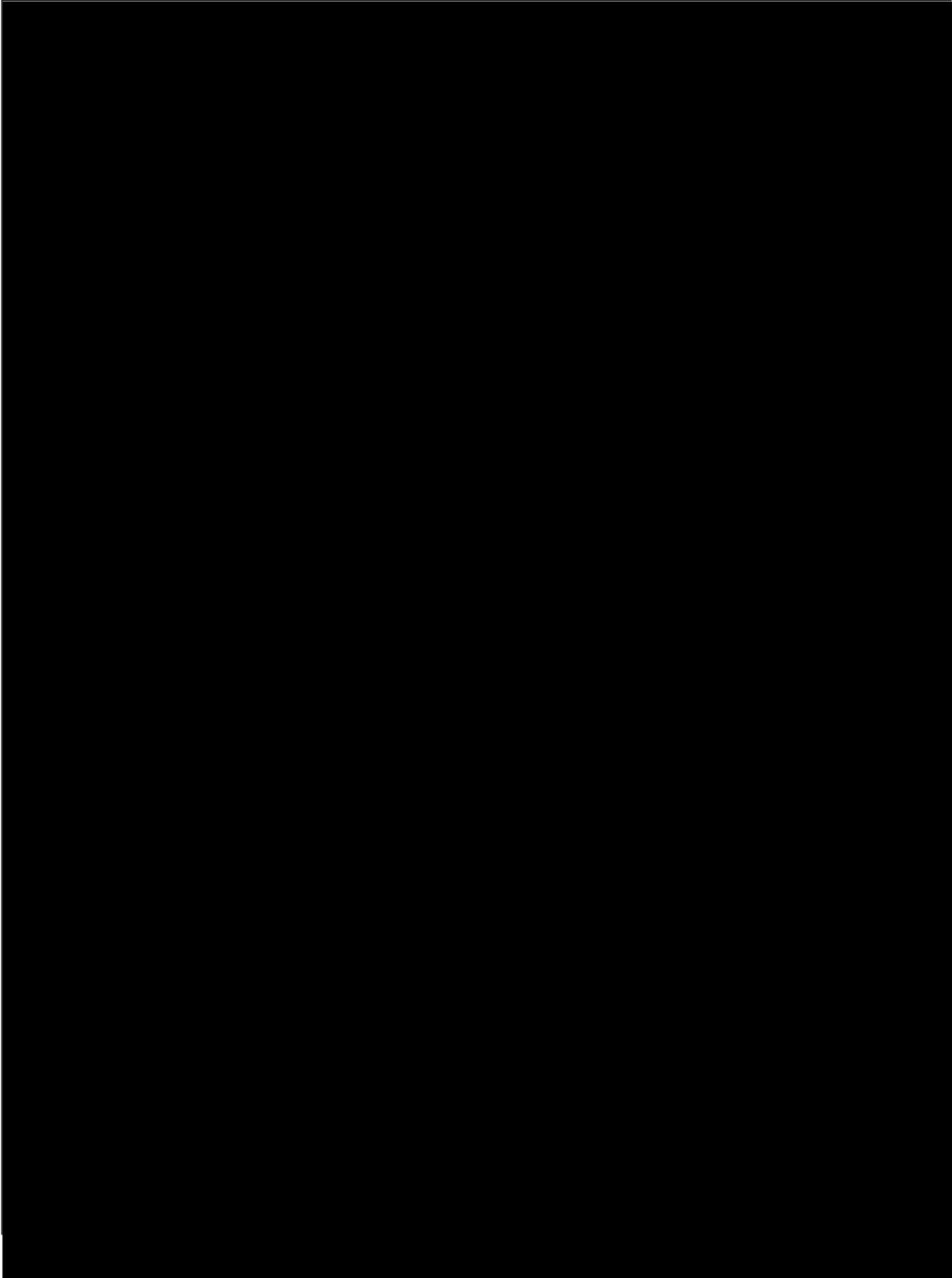


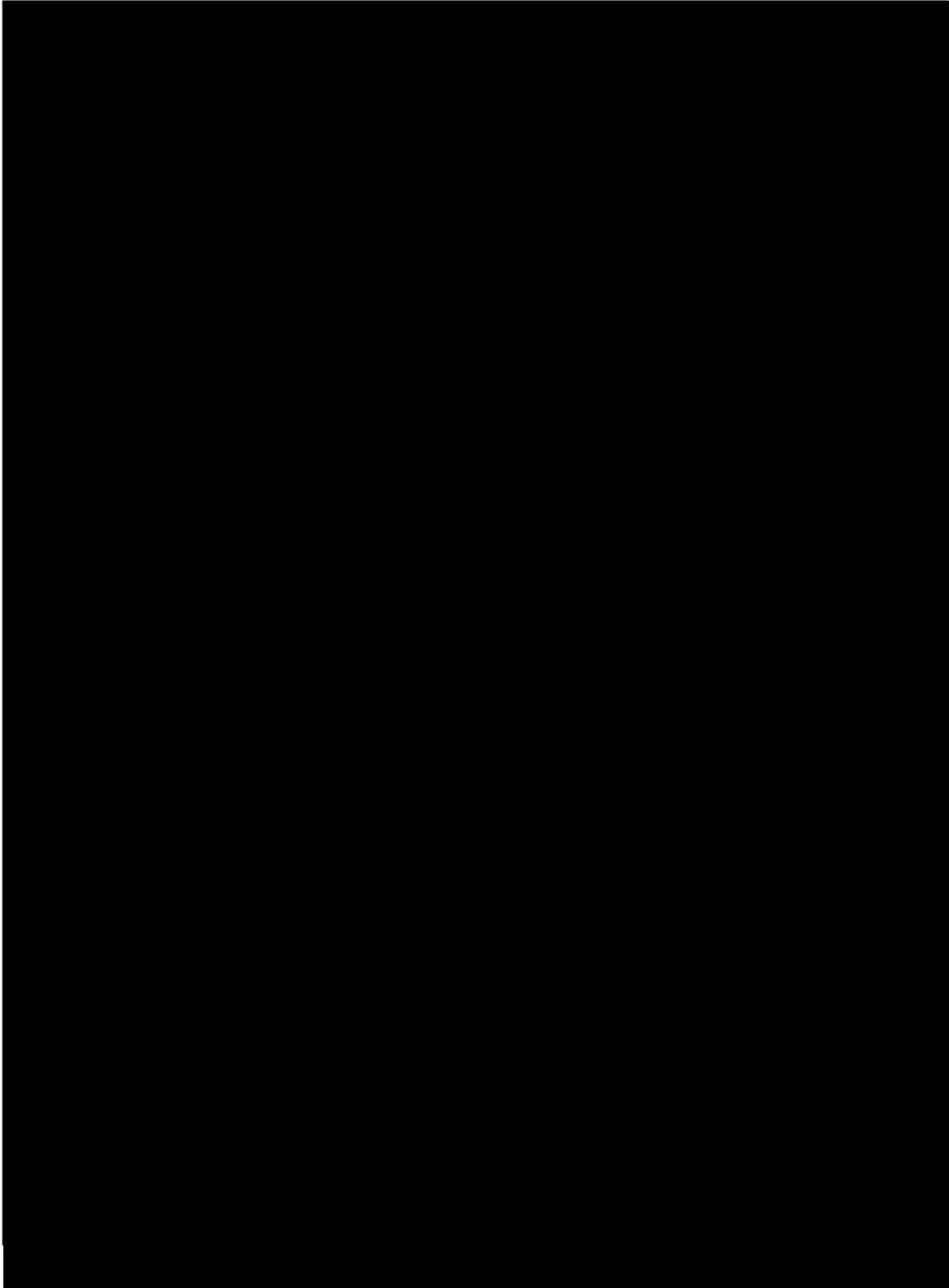












Appendix 5 – Documents relating to the audit risk analysis

Purpose: This appendix summarizes the risk assessment performed for the assessment of compliance with each audited obligation or commitment, including the assessment of Inherent Risks, Control Risks and Detection Risks for each audited obligation.

DSA Audit Risk Assessment Introduction

The audit report shall include a substantiated audit risk analysis performed by the auditing organization for the assessment of TikTok’s compliance with each audited obligation or commitment. The audit risk analysis shall consider:

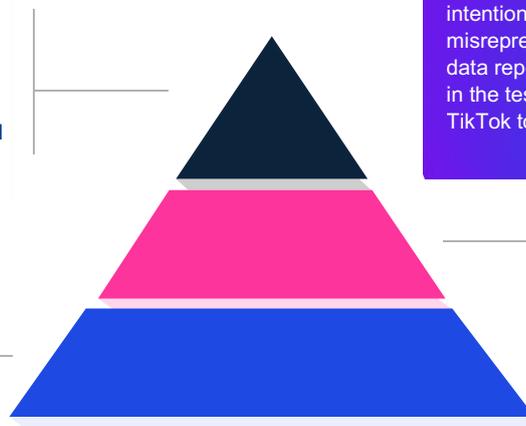
- a. Inherent Risks;
- b. Control Risks;
- c. Detection Risks.

Detection Risk

The risk that KPMG does directly influence, namely the risk that the procedures performed by KPMG **will not detect a material misstatement**.

Inherent Risk

The susceptibility of the Subject Matter information to a material misstatement **before consideration of any related controls**.



Misstatement — misstatement means an intentional or unintentional omission, misrepresentation or error in the declarations or data reported or provided by TikTok to KPMG, or in the testing environment made available by TikTok to KPMG.

Control Risk

The risk that a **material misstatement** occurring in the Subject Matter information will not be **prevented, or detected and corrected**, on a timely basis by internal controls.

Note: the consideration of risks is a matter of professional judgment, rather than a matter of precise measurement.

Risk assessment procedures were performed to help identify risks of material misstatement and plan out the nature, timing, and extent of our audit procedures.

Risk Assessment Steps performed:

1. We obtained an understanding of the systems and processes (and related controls) put in place to comply with the Specified Requirements and other engagement circumstances.

Understanding the Subject Matter is key to planning and executing an effective engagement. We obtained our understanding during planning and updated it throughout the performance of the engagement to the extent that changes would affect our overall engagement strategy or the nature, timing, and extent of our procedures.

We obtained an understanding that was sufficient to:

- enable us to identify and assess the risks of material misstatement;
- provide a basis for designing and performing procedures to respond to the assessed risks and to obtain reasonable assurance to support our opinion.

Information obtained to inform the audit risk analysis:

| Described in Article 9 | Information obtained, included, but not limited to: |
|--|---|
| The nature of the audited service and the societal and economic context in which the audited service is conducted, including probability and severity of exposure to crisis situations and unexpected events. | <ul style="list-style-type: none"> Information from TikTok (website, voice-over, annual report, trust, and safety reports) The transparency reports The systemic risk assessment reports |
| The nature of the obligations and commitments in Chapter III of the DSA. | <ul style="list-style-type: none"> Any documentation by TikTok concerning the scope TikTok's risk assessment per article, including flowcharts TikTok's risk and control framework |
| Other appropriate information, including, where applicable, information from previous audits to which the audited service was subjected. | <ul style="list-style-type: none"> Requests For Information (RFIs) and the responses to Commission Inquiry with Internal Audit and inspection of an Internal Audit report |
| Other appropriate information, including, where applicable, information from reports issued by the European Board for Digital Services or guidance from the Commission, including guidelines issued pursuant to Article 35(2) and (3) of Regulation (EU) 2022/2065, and any other relevant guidance issued by the Commission with respect to the application of Regulation (EU) 2022/2065. | <ul style="list-style-type: none"> N/A |
| Other appropriate information, including, where applicable, information from audit reports published pursuant to Article 42(4) of Regulation (EU) 2022/2065 by other providers of very large online platforms or of very large online search engines operating in similar conditions or providing similar services to the audited service. | <ul style="list-style-type: none"> Certain published reports from other providers operating in similar conditions or providing similar services (e.g., published transparency reports) |

2. We determined whether the risk factors we identified are inherent risks that may give rise to risks of material misstatement associated with the Subject Matter. We obtained an understanding by performing procedures, including reviews of relevant information, inquiries, data analytics, observations, and inspections.

We obtained an understanding of how management prepares certain information, such as their risk assessment to comply with Article 34. We also obtained an understanding of management's process for determining the risks that would prevent the Specified Requirements from being achieved, and for designing and implementing processes and controls to address those risks.

We obtained an understanding of the components of the system of internal control at the entity level. This is an important step in performing our risk assessment procedures, as it helped us identify events and conditions that may have a pervasive effect on the susceptibility of the Subject Matters of our



report to misstatement, either due to fraud or error. We obtained an understanding of how TikTok’s system of internal control operates at the entity level, including:

- Control environment
- Monitoring activities
- Management’s risk assessment process

3. For each obligation, we assessed inherent, control and detection risks

See below for the determination of inherent, control and detection risks. Please note that in specific instances, our assessment of the risks of material misstatement changed during the engagement as additional evidence was obtained. In circumstances in which we obtained evidence from performing further procedures, or when new information was obtained, either of which being inconsistent with the evidence on which we originally based the assessment, we revised the assessment and modified the planned procedures accordingly.

| Obligation | Inherent Risk | Control Risk | Audit Procedures | Detection Risk |
|------------|---------------|--------------|----------------------|----------------|
| 11(1) | Medium | Low | Reliance on controls | Low |
| 11(2) | Medium | Low | Reliance on controls | Low |
| 11(3) | Medium | Low | Reliance on controls | Low |
| 12(1) | Medium | Low | Reliance on controls | Low |
| 12(2) | Medium | Low | Reliance on controls | Low |
| 14(1) | Medium | Medium | Reliance on controls | Low |
| 14(2) | Medium | Low | Reliance on controls | Low |
| 14(4) | Medium | Low | Substantive | Low |
| 14(5) | Medium | Low | Reliance on controls | Low |
| 14(6) | Medium | Low | Reliance on controls | Low |
| 15(1) | Medium | Low | Reliance on controls | Low |
| 16(1) | High | Medium | Substantive | Low |
| 16(2) | Medium | Medium | Substantive | Low |
| 16(4) | Medium | Medium | Substantive | Low |
| 16(5) | Medium | Medium | Reliance on controls | Low |
| 16(6) | High | Medium | Substantive | Low |
| 17(1) | High | Medium | Substantive | Low |
| 17(2) | High | Medium | Substantive | Low |
| 17(3) | High | Medium | Substantive | Low |
| 17(4) | High | Medium | Reliance on controls | Low |
| 18(1) | Medium | Medium | Reliance on controls | Low |
| 18(2) | Medium | Medium | Reliance on controls | Low |
| 20(1) | High | Medium | Substantive | Low |
| 20(2) | High | Medium | Substantive | Low |
| 20(3) | Medium | Medium | Substantive | Low |
| 20(4) | High | Medium | Reliance on controls | Low |

| Obligation | Inherent Risk | Control Risk | Audit Procedures | Detection Risk |
|-----------------|---------------|--------------|---|----------------|
| 20(5) | Medium | Medium | Reliance on controls | Low |
| 20(6) | Medium | Medium | Reliance on controls | Low |
| 22(1) | Medium | Medium | Substantive | Low |
| 23(1) | Medium | High | Substantive | Low |
| 23(2) | Medium | High | Substantive | Low |
| 23(3) | Medium | High | Substantive | Low |
| 23(4) | Medium | High | Substantive | Low |
| 24(1) | Medium | Medium | Reliance on controls | Low |
| 24(2) | Medium | Low | Reliance on controls | Low |
| 24(3) | Medium | Medium | Reliance on controls | Low |
| 24(5) | Medium | Low | Reliance on controls | Low |
| 25(1) and 25(2) | High | High | Reliance on controls | Medium |
| 26(1) | Medium | Medium | Substantive | Low |
| 26(2) | Medium | Medium | Substantive | Low |
| 26(3) | Medium | Medium | Substantive | Low |
| 27(1) | High | High | Combined (substantive and reliance on controls) | Medium |
| 27(2) | High | High | Reliance on controls | Medium |
| 27(3) | Medium | High | Substantive | Medium |
| 28(1) and 28(3) | High | High | Substantive | Medium |
| 28(2) and 28(3) | High | Low | Reliance on controls | Low |
| 34(1) | High | Medium | Combined (substantive and reliance on controls) | Medium |
| 34(2) | High | Medium | Combined (substantive and reliance on controls) | Medium |
| 34(3) | Medium | Low | Reliance on controls | Low |
| 35(1) | High | High | Substantive | Medium |
| 36(1) | High | High | Substantive | Medium |
| 37(1) | Medium | Low | Reliance on controls | Low |
| 37(2) | Medium | Low | Reliance on controls | Low |
| 37(3) | Medium | Low | Reliance on controls | Low |
| 38(1) | High | High | Substantive | Medium |
| 39(1) | Medium | Medium | Reliance on controls | Medium |
| 39(2) | Medium | Medium | Substantive | Medium |
| 39(3) | Medium | Medium | Substantive | Medium |
| 40(12) | Medium | Medium | Reliance on controls | Medium |
| 41(1) | Medium | Low | Reliance on controls | Low |
| 41(2) | Medium | Low | Reliance on controls | Low |



| Obligation | Inherent Risk | Control Risk | Audit Procedures | Detection Risk |
|------------|---------------|--------------|----------------------|----------------|
| 41(3) | Medium | Low | Reliance on controls | Low |
| 41(4) | Medium | Low | Reliance on controls | Low |
| 41(5) | Medium | Low | Reliance on controls | Low |
| 41(6) | Medium | Low | Reliance on controls | Low |
| 41(7) | Medium | Low | Reliance on controls | Low |
| 42(1) | Medium | Low | Reliance on controls | Low |
| 42(2) | Medium | Low | Reliance on controls | Low |
| 42(3) | Medium | Low | Reliance on controls | Low |
| 42(4) | Medium | Low | Reliance on controls | Low |

Appendix 6 – Documents attesting that KPMG complies with the obligations laid down in Article 37(3), point (a), (b), and (c)

| DSA Annex | Response |
|---|---|
| <p>Documents attesting that the auditing organization complies with the obligations laid down in Article 37(3), point (a) of Regulation (EU) 2022/2065.</p> | <p>We have complied with the ‘Reglement Gedragscode Register IT-Auditors’ (Code of Ethics) of NOREA, the IT Auditors Association in the Netherlands, and the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.</p> <p>We confirm that we are independent from, and do not have any conflicts of interest with TikTok pursuant to Article 37(3)(a), in particular:</p> <ul style="list-style-type: none"> i. We confirm that we have not provided non-auditing services related to the Subject Matter of this engagement to TikTok. ii. We have not been the auditor of the DSA for more than 10 consecutive years, as we have been appointed as the auditor of the DSA for TikTok since 18 December 2023. iii. We confirm that we are not receiving a contingent fee based on the outcome of this audit. |
| <p>Documents attesting that the auditing organization complies with the obligations laid down in Article 37(3), point (b) of Regulation (EU) 2022/2065.</p> | <p>In compliance with Article 37(3)(b), we conclude that we have the requisite knowledge, skills, and professional diligence under the NOREA Directive 3000A ‘Assurance-opdrachten door IT-auditors (attest-opdrachten)’ (Assurance engagements by IT-auditors - attest engagements), as issued by NOREA, the IT Auditors Association in the Netherlands as well as the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (‘ISAE 3000 [Revised]’). We have applied these professional standards throughout the course of our engagement.</p> |
| <p>Documents attesting that the auditing organization complies with the obligations laid down in Article 37(3), point (c) of Regulation (EU) 2022/2065.</p> | <p>We have complied with the ‘Reglement Gedragscode Register IT Auditors’ (Code of Ethics) of NOREA, the IT Auditors Association in the Netherlands, and the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.</p> <p>We applied ‘Reglement Kwaliteitsbeheersing NOREA’ (RKBN, Regulations for quality management systems) as well as the International Standard on Quality Management 1 (ISQM 1) and accordingly maintained a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.</p> |

Appendix 7 – Definitions

For the purpose of this assurance report, the terms below shall have the meanings as stated:

| Term | Definition | Source |
|---|--|--------|
| Assurance engagement | An engagement in which a practitioner aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than TikTok about the Subject Matter information (that is, the outcome of the measurement or evaluation of an underlying Subject Matter against criteria). | B |
| Audit criteria | The criteria against which the auditing organization assesses compliance with each audited obligation or commitment. | A |
| Audit evidence | Any information used by an auditing organization to support the audit findings and conclusions and to issue an audit opinion, including data collected from documents, databases or IT systems, interviews or testing performed. | A |
| Audited obligation or commitment | An obligation or commitment referred to in Article 37(1) of Regulation (EU) 2022/2065 which forms the Subject Matter of the audit. Unless noted otherwise, each sub-article is an audited obligation or commitment. | A |
| Auditing organization | An individual organization, a consortium or other combination of organizations, including any subcontractors that the audited provider has contracted to perform an independent audit in accordance with Article 37 of Regulation (EU) 2022/2065. | A |
| Auditing procedure | Any technique applied by the auditing organization in the performance of the audit, including data collection, the choice and application of methodologies, such as tests and substantive analytical procedures, and any other action taken to collect and analyze information for collecting audit evidence and formulating audit conclusions, not including the issuing of an audit opinion or the audit report. | A |
| Audited provider | The provider of an audited service, which is subject to independent audits pursuant to Article 37(1) of that Regulation. | A |
| Audit risk | The risk that the auditing organization issues an incorrect audit opinion or reaches an incorrect conclusion concerning the audited provider's compliance with an audited obligation or commitment, considering detection risks, inherent risks, and control risks with respect to that audited obligation or commitment. | A |
| Audited service | A very large online platform or a very large online search engine designated in accordance with Article 33 of Regulation (EU) 2022/2065. | A |
| Control risk | The risk that a misstatement is not prevented, detected and corrected in a timely manner by means of the audited provider's internal controls. | A |
| Detection risk | The risk that the auditing organization does not detect a misstatement that is relevant for the assessment of the audited provider's compliance with an audited obligation or commitment. | A |
| Engagement risk | The risk that the practitioner expresses an inappropriate conclusion when the Subject Matter information is materially misstated. | B |
| Evaluation Period | The period in scope of the assurance engagement. | B |

| Term | Definition | Source |
|--|---|--------|
| Evidence | Information used by the practitioner in arriving at the practitioner's conclusion. Evidence includes both information contained in relevant information systems, if any, and other information. | B |
| General IT Controls | General IT Controls (GITC) are controls that relate to the environment that supports IT applications. The appropriateness and effectiveness of GITC therefore impacts the functioning of IT applications. | C |
| Inherent risk | The risk of non-compliance that is intrinsically related to the nature, design, activity, and the use of the audited service, as well as the context in which it is conducted, and the risk of non-compliance related to the nature of the audited obligation or commitment. | A |
| Intended users | The individual(s) or organization(s), or group(s) thereof that the practitioner expects to be using the assurance report. | B |
| Internal control | Any measures, including processes and tests, that are designed, implemented, and maintained by the audited provider, including its compliance officers and management body, to monitor and ensure the audited provider's compliance with the audited obligation or commitment. | A |
| Materiality threshold | The threshold beyond which deviations or misstatements by the audited provider, individually or aggregated, would reasonably affect the audit findings, conclusions, and opinions. | A |
| Misstatement | A difference between the Subject Matter information and the appropriate measurement or evaluation of the underlying Subject Matter in accordance with the criteria. Misstatements can be intentional or unintentional, qualitative, or quantitative, and may include omissions. | B |
| Practitioner | The individual(s) conducting the engagement (usually the engagement partner or other members of the engagement team, or, as applicable, the firm). | B |
| Professional judgment | The application of relevant training, knowledge, and experience, within the context provided by assurance and ethical standards, in making informed decisions about the courses of action that are appropriate in the circumstances of the engagement. | B |
| Professional skepticism | An attitude that includes a questioning mind, being alert to conditions indicative of possible misstatement, and a critical assessment of evidence. | B |
| Reasonable assurance engagement | An assurance engagement in which the practitioner reduces engagement risk to an acceptably low level in the circumstances of the engagement as the basis for the practitioner's conclusion. The practitioner's conclusion is expressed in a form that conveys the practitioner's opinion on the outcome of the measurement or evaluation of the underlying Subject Matter against criteria. | B |
| Specified Requirements | The individual applicable DSA commitments (i.e., sub-articles) in combination with the benchmarks provided by TikTok that have been subjected to auditing procedures. | |
| Subject Matter | The phenomenon that is measured or evaluated by applying criteria. | B |
| Subject Matter information | The outcome of the measurement or evaluation of the underlying Subject Matter against the criteria, i.e., the information that results from applying the criteria to the underlying Subject Matter. | B |

| Term | Definition | Source |
|---|---|--------|
| Substantive analytical procedure | An audit methodology used by the auditing organization to assess information for inferring audit risks or compliance with the audited obligation or commitment. | A |
| Test | An audit methodology consisting of measurements, experiments, or other checks, including checks of algorithmic systems, through which the auditing organization assesses the audited provider's compliance with the audited obligation or commitment. | A |
| Vetted researcher | A researcher vetted in accordance with Article 40 (8) of Regulation (EU) 2022/2065. | A |

Sources used:

A - Delegated Act, Article 2

B - ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information

C - ACCA Global