



# Annual Report 2010

**2010** Internet Watch Foundation  
Annual and Charity Report

# Internet Watch Foundation

Combating child sexual abuse content on the internet



“ The Internet Watch Foundation (IWF) is a prime example of how self-regulation can produce excellent results – even in such a sensitive area as combating child sexual abuse images on the internet. By successfully cooperating with a wide range of internet players, the IWF has made a breakthrough in the United Kingdom. It simply cannot be tolerated that internet users would accidentally be exposed to such horrific images. I am proud that the European Union, through the funding of our Safer Internet Programme, has made this possible – but money is nothing without the will. This IWF annual report is yet another testimony of the IWF’s commitment and effectiveness in tackling this just cause. ”

**Neelie Kroes**

Vice-President of the European Commission for the Digital Agenda

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# Welcome

## From the Chair

2011 will be our fifteenth anniversary and so I must place on record our gratitude to all those individuals, organisations and companies who have played their part, since 1996, in making the IWF an ongoing success.

We continue to battle with the abuse of the internet by criminals who disseminate and sell images involving the rape and torture of children, the majority of whom are under 10 years old. We do this by being as disruptive as possible and working with partners to limit the re-victimisation of these children and, wherever possible, assist law enforcement agencies to rescue victims and prosecute their persecutors. Some of our success stories are set out in this report.

This year has been one of real advancement. I am proud of the steps we have taken, together with our industry colleagues, to address the global issue of online child sexual abuse content on a number of ambitious new fronts, not least in our determination to speed up the removal of content hosted outside the UK. I am particularly pleased to have overseen the introduction of new codes, policies and guidelines to demonstrate our commitment to transparency regarding the UK's content blocking initiative and other distribution disruption tactics. Furthermore, we have contributed significantly to policymaking at home and abroad and the international exchange of expertise in the field. Our tactics, knowledge and experience of partnership working and self-regulation remain of much interest to others around the world.

Without the insight and diversity of our Board we could not have achieved so much whilst keeping a focus on the strategic principles, policies and ethics which structure our work. Our Trustees' experience means our work remains targeted and informed; embodying the highest standards of accountability and good governance.

My thanks again go to the London Internet Exchange (LINX) for their ongoing sponsorship of this report and, of course, to our industry members who now number around the 100 mark. Without their responsible and united approach in adopting measures to avoid the exploitation of their technologies and services, the UK would not be such an exemplar of effective self regulation.

Finally, I would like to thank Peter Robbins who leaves the IWF later this year after 9 years as our Chief Executive. Peter has been an outstanding leader who has built the relationships upon which our work depends. He will be much missed. We all wish him every success in his future endeavours.

**Eve Salomon**, Chair of the Board of Trustees



Eve Salomon



Peter Robbins

## From the Chief Executive

This has been one of our most productive years ever but then every year brings with it new challenges as technologies advance and trends in distributing potentially criminal content fluctuate.

We understand and recognise this exploitation better than ever. We can pinpoint where the content is hosted, we observe it moving from service provider to service provider and from country to country, we see different payment mechanisms emerging for paid-for content, and we monitor and track the live material until it is removed. We've taken our analysis one step further this year by mapping links between the commercial 'brands' of child sexual abuse websites in order to identify what we suspect are a relatively small but productive number of potentially criminal operations or individuals responsible for most of the commercial content we witness. We hope our data will help law enforcement officers to marshal their resources to tackle this persistent core.

We are proud of our success in speeding up the removal of child sexual abuse content hosted overseas. As a result, there has been a hugely significant decrease in the length of time child sexual abuse images are retained on our webpage blocking list from years and months to weeks and just days now. However we are now witnessing a surge in images and videos being posted to 'one click' free or inexpensive file hosting sites. Such is the growth in these technologies, with user-friendly upload mechanisms, that criminals exploit them. So on the one hand the number of long term entries on our webpage blocking list have gradually reduced but, at least for the time being, the volume of short term entries have increased.

We were pleased to announce the launch of a new scheme in 2010. Many of our Members who have access to our URL blocking list of child sexual abuse webpages have voluntarily committed to a self-certification programme whereby they will report on whether their systems pass the tests required on a quarterly basis.

In April 2010 we extended our Hotline service, at the government's request and with the industry's agreement, to enable the public to report non-photographic visual depictions of the sexual abuse of children (more commonly known as 'computer generated images'). This extension to our remit has had minimal impact on our resources.

It is the IWF staff and our partners around the world who deserve the credit for another successful year. This requires not just dedication but a flexible and positive approach to what can be highly demanding and ever-changing work.

**Peter Robbins** OBE, QPM, Chief Executive

# Strategy

## About the Internet Watch Foundation

The Internet Watch Foundation (IWF) was established in 1996 by the internet industry to provide the UK internet Hotline for the public and IT professionals to report potentially criminal online content in a secure and confidential way. The Hotline service can be used anonymously to report content within our remit. We work with the online industry, law enforcement, government, and international partners to minimise the availability of this content, specifically:

- Child sexual abuse images hosted anywhere in the world
- Criminally obscene adult content hosted in the UK
- Incitement to racial hatred content hosted in the UK
- Non-photographic child sexual abuse images hosted in the UK.

## Tactics

There are a number of tactics carried out by the IWF on a national and, where relevant, international basis which minimise the availability of child sexual abuse content online:

- Reporting mechanism for the public to report any inadvertent exposure to potentially criminal child sexual abuse content
- 'Notice and takedown' system to swiftly remove child sexual abuse content at source in the UK
- Targeted assessment and monitoring system to remove child sexual abuse content in newsgroups
- Provision of a child sexual abuse URL list to internet service providers, mobile operators, search providers and filtering providers to help disrupt access to child sexual abuse content which is hosted outside the UK and not yet taken down.

## Success

We help internet service providers and hosting companies to combat the abuse of their networks through our 'notice and takedown' service which alerts them to content within our remit hosted in the UK so they can remove it from their networks. We also provide unique data to our law enforcement partners to assist investigations into the distributors of this potentially criminal content. As a result of this approach, the content we deal with has been virtually eradicated from UK networks. As sexually abusive images of children are now primarily hosted abroad, we facilitate the industry-led project to protect users from inadvertent exposure to this content by blocking access to it through our provision of a dynamic list of child sexual abuse webpages.

## Sharing good practice

We work with the UK government to influence initiatives developed to combat online abuse and this dialogue goes beyond the UK and Europe to promote greater awareness of global issues, trends and responsibilities. We work internationally with 38 INHOPE Hotlines in 33 countries and other relevant organisations to encourage them to respond to the problem with wider adoption of good practice in combating child sexual abuse images on the internet.

## Self-regulation

Self-regulation is the principle upon which our operations and structures are founded; it is also the government and internet industry's preferred way of regulating specific internet content in the UK. Self-regulation and stakeholder inclusion have been at the core of the IWF's model, operations and success since our establishment in 1996.

We are funded by the EU and the wider online industry, including internet service providers, mobile operators and manufacturers, content providers, filtering companies, search providers, trade associations, and the financial sector.

Each industry Member nominates a representative to participate in the IWF Funding Council. The Council contributes to our policy development and acts as our consultative link to the industry. With around 100 Members, we have a significant level of industry backing.

## SUCCESS STORIES

Our Analysts received two separate reports about new content featuring two British girls which subsequently resulted in the rescue of two child victims in the UK.

We worked with other Hotlines to remove indecent pictures of young girls which had been posted online by the girls' ex-partners.

We worked with other Hotlines to remove indecent images of a 12 year old grooming victim following her mother making a report to us.

### Strategic Achievements

Every year we agree an annual business plan linked to our three year strategic programme (2008-2011) with our Members and Stakeholders. This plan enables us to focus and deliver on specific priorities.

Our key achievements during 2010 include:

- Significantly reduced the length of time child sexual abuse webpages are “live” in other countries
- Launched a testing and self-certification programme for users of our webpage blocking list
- Embedded a new content assessment procedure into our working practices
- Implemented a new complaints and appeals process for content assessment
- Provided intelligence to the European Financial Coalition to help their work in tracking commercial distributors of child sexual abuse material
- Developed an alerts service for our Members who may be hosting child sexual abuse content outside the UK
- Commissioned a new database to improve our Hotline systems
- Populated a central URL database in Europe to streamline reporting processes to our INHOPE colleagues
- Negotiated a Service Level Agreement between us and the Association of Chief Police Officers
- Established a learning and development strategy for our staff
- Carried out an independent review of our pay and reward scheme for staff and Board members
- Initiated a plan to move to new premises in 2011
- Updated our risk register
- Increased our ICT support resources
- Maintained our ISO 27001 status
- Organised a joint IWF Board and Funding Council event to discuss future strategy
- Implemented a new funding model with our Members from across the world
- Increased our subscription income
- Embarked on a research project, funded by the Nominet Trust, into global responses to ‘notice and takedown’ systems, the results of which will be published in 2011
- Commissioned three surveys, one with Members, one with key stakeholders and one with the public to help inform our new strategic plan for 2011 onwards
- Were supported by over 40 major online companies, government departments and other stakeholders in promoting our national awareness day
- Spoke about our self-regulatory model in 11 countries
- Met with Australian, Chinese and Slovakian visitors seeking information about us
- Contributed to a consortium with the National Society for the Prevention of Cruelty to Children (NSPCC) and the Child Exploitation and Online Protection (CEOP) Centre raising awareness of how to make the internet a safer place
- Liaised with UN and eNasco officials concerned about online child sexual material
- Provided extensive briefing papers to European Commissioners and Members of the European Parliament
- Distributed a monthly newsletter to over 2,200 contacts around the world
- Launched a new website
- Worked with UK police forces to ensure their websites contain accurate information about our role and remit
- Wrote feature articles for magazines
- Met with key journalists to ensure our core messages are well understood
- Distributed information leaflets to 230 new parliamentarians
- Hosted a dinner for parliamentarians to discuss our future work
- Began building a new three year Strategic Plan for publication in April 2011.

#### SUCCESS STORIES

We worked with the Victim Identification Team at CEOP to identify content related to specific victims of child sexual abuse.

We supported a prosecution case which resulted in a man being jailed for 2 years for distributing indecent images of children.

We provided 11 evidential statements.

# UK Self-regulation

## Self-regulation of the UK internet

Self-regulation is the principle upon which our operations and structures are founded; it is also the government and internet industry's preferred way of regulating specific internet content in the UK. Self-regulation and stakeholder inclusion have been at the core of the IWF's model, operations and success since our establishment in 1996.

This model of self-regulation strives to meet the demands placed upon it by evolving technology, industry growth and media, public and government scrutiny. Our model has been recognised publicly by the government's Better Regulation Executive in the National Business Awards Better Regulation category.

## Criminal content: removal in the UK

As a result of reports assessed and traced by our Hotline Analysts, 190 instances of potentially criminal content on websites in the UK were removed. Our 'notice and takedown' system has been in operation since 1996, in collaboration with the internet industry and law enforcement, and ensures UK networks are hostile to exploitation for the hosting of criminal content within our remit.

All notices issued by the IWF for content removal were complied with within hours:

- 72 notices regarding 178 instances of child sexual abuse content were issued
- 8 notices regarding 12 instances of criminally obscene adult content were issued
- 0 notices regarding incitement to racial hatred content were issued
- 0 notices regarding non-photographic depiction of child sexual abuse were issued.

## Blocking access to child sexual abuse content

In the UK the blocking of online child sexual abuse content is carried out on a self-regulatory basis and despite there being no legislative imperative for companies in the online sector to take such action, over 98.6% of residential broadband connections are now protected by internet service providers blocking access to content on our webpage blocking list.

The number of companies which choose to receive the IWF webpage blocking list continues to grow with over 70 internet services providers, search and content providers, mobile operators and filtering companies now taking steps to prevent their customers from being exposed to child sexual abuse content.

Our webpage blocking list is deployed across six continents and in countries including Chile, New Zealand, the United States, Ireland, Spain, Slovakia, Switzerland and Montenegro. It is shared with recognised

partners around the world to support their investigative operations and is endorsed by the UK government as they recommend all their departments and agencies use internet services which block access to child sexual abuse content on the IWF webpage blocking list.

This blocking initiative, which commenced in 2004, can help to disrupt the distribution and accidental access to child sexual abuse content and minimise the perpetuation of such abuse through repeated viewing as well as providing a safer online space for us all. However, blocking is not a complete solution; it cannot put an end to offenders abusing children nor can it effectively deny determined criminals who are actively seeking such material. Only a combination of tactics including content removal, blocking, rigorous application of terms of use criteria and the sustained investigation of supply and demand networks by international law enforcement agencies can eradicate this complex global criminality.

Online child sexual abuse content is highly dynamic and transient; as a result our webpage blocking list is updated twice a day to ensure the webpages are live. During 2010 a cumulative total of 14,602 webpages featured on our webpage blocking list of live child sexual abuse content. An average of 59 webpages were added to the list each day reflecting the speed at which child sexual abuse content moves online location. The average number of live URLs on the list at any one time was 500.

## Self-certification: testing the deployment of blocking by the internet industry

Whilst our role in blocking is reserved to the compilation and provision of a list, the blocking solution is entirely a matter for the company deploying it. The IWF and its Member companies take their responsibilities in this area seriously and as a result 2010 has seen some significant developments in our administrative, regulatory and accountability structures by the introduction of a testing regime.

Members and companies licensed to use our webpage blocking list are published on the IWF website. These companies have been invited to participate in a testing programme designed to prove not only that they download the webpage blocking list but whether it is being deployed correctly to protect their customers. This programme requires companies to self-certify on a quarterly basis. After 12 months we will publish information to show a company's compliance or otherwise to the programme so the public can identify which companies are effectively preventing access to child sexual abuse webpages known to the IWF.

### **Splash pages: transparency for the user**

To further enhance the transparency of blocking in the UK, the IWF advocates the use of bespoke ‘splash’ pages in response to blocked requests by the user for content on our webpage blocking list. Since the blocking scheme is designed primarily to prevent inadvertent access to child sexual abuse content by internet users, we believe it is in the public’s interest to know why their access is denied.

Therefore, in 2010, in collaboration with our industry Members, we commenced a 12 month programme to review the impact of splash pages as part of our ongoing commitment to transparency and accountability in self-regulation.

### **Content blocking: wider contextual assessment and URL listing policy**

As a self-regulatory body committed to protecting the public, we are keen to improve our transparency where possible. We arrange for regular independent inspections of our Hotline systems and processes, including the listing of child sexual abuse content for blocking purposes.

We publish full details of the policies and procedures which govern the processes by which content is included on our webpage blocking list. These include nine overarching principles which govern URL listing and non-listing and seven detailed guidelines which influence the specific listing of content such as a range of contextual considerations,

an assessment of the likelihood of associated risks of adding a URL to our list factors such as internet speed latency and a commitment to securing content removal wherever possible whilst disrupting short-term access.

These guidelines also set out the role of our Board in making decisions related to the risks of adding a URL to our webpage blocking list, prioritising the public interest in all matters and determining the outcome of any conflicts between the assessment criteria.

### **Public accountability: new content assessment appeal process**

Our facilitation of the blocking initiative has always been accompanied by an appeals process by which content owners can appeal against our assessment by invoking an internal and external reassessment process. However, we were keen to enhance this process to ensure it provided a more accessible, comprehensive and robust system for making, addressing and resolving appeals relating to our assessment of content for the purposes of blocking and removal.

As a result, our Board approved a new content assessment appeal process during 2010. This ensures that anyone, including internet users who believe they are being prevented from accessing legal content, may appeal against the accuracy of an assessment. It also states the stages involved in an appeal including the responsibilities, actions and communications undertaken by the IWF, its Board and a relevant police agency.

### **Complaints**

No complaints were received from content owners concerned that we had listed legitimate content which they owned or were otherwise associated with.

No company to whom we issued a formal notice to take down potentially criminal content in the UK appealed against our notices.

Since we published the new content assessment appeal process in July 2010 we have dealt with 30 queries from members of the public in the UK and abroad about being denied access to legitimate content they were attempting to access. All queries were responded to within one working day. None of the specific URLs referred to us for investigation were found to be included on our list. It was determined in every case that the problem was the result of unintended technicalities on the part of one or more of the companies deploying our webpage blocking list. In each of these instances we worked with the company or companies concerned to resolve the problem.



# International

The IWF has operated a successful ‘notice and takedown’ scheme to remove child sexual abuse content from UK networks since 1996 and has for many years advocated the benefits of such arrangements around the world. However, concerns have remained about the length of time this content remains available online when hosted outside the UK so, during 2010 we implemented new tactics to speed up its removal.

Together with international Hotlines and law enforcement agencies we have widened our links to the internet industry around the world in order to alert them to the abuse of their services. We have encouraged a more timely approach amongst partner Hotlines regarding content removal and we have continued to promote and share our approach which has led to such efficient and effective systems here in the UK.

## INTERNATIONAL SUCCESS

We supported the European Financial Coalition in its aims to disrupt and dismantle commercial operations dedicated to the distribution of child sexual abuse content for financial gain.

We worked with the German Police regarding the removal of one particular website which generated a large number of reports.

Following consultation with our Members a plan was devised to:

- Consider how INHOPE member Hotlines might accelerate the removal of child sexual abuse content within their own jurisdiction
- Examine how INHOPE member Hotlines might assist in the expeditious takedown of child sexual abuse content hosted in countries outside the INHOPE network
- Develop our partnership with countries with no INHOPE member Hotline to accelerate the removal of child sexual abuse images hosted abroad
- Develop a good practice model for the swift removal of child sexual abuse content for international consideration.

Successful outcomes of the project to date are:

- The length of time webpages remain on our webpage blocking list has dramatically reduced from years and months previously to just weeks and days now. In every instance where an image is removed quickly the risk of a child being re-victimised by someone viewing their abuse has been substantially reduced.
- We now monitor and then remind our international colleagues of images that remain live for long periods allowing for the legal differences in definitions and protocols they are required to adhere to.
- More companies around the world are now using our webpage blocking list to reduce the likelihood of internet users on a global basis inadvertently stumbling across child sexual abuse material.
- We simultaneously alert any IWF Member innocently hosting sexual abuse content outside the UK as the details are provided to the relevant Hotline.
- We offer an alert service to non-IWF Members hosting child sexual abuse content abroad under Licence.
- The IWF webpage blocking list now typically contains 500 URLs at any one time down from 1,200 in 2008.
- Due to improved working practices between us and the Child Exploitation and Online Protection (CEOP) Centre we have saved at least 50 staff hours a year.

## INTERNATIONAL SUCCESS

We developed communication channels with non-INHOPE countries, such as China, Sweden, Thailand and the Ukraine for the referral and removal of child sexual abuse content.

We assisted an investigation by the St Louis Police Department in the US following posting of content involving a 14 year old girl.



Figure 1 displays the number of URLs on the IWF webpage blocking list that were live for more than one month. The result of our project to work with international partners to speed up the removal of child sexual abuse content hosted abroad (that is not subject to police investigation) has led to a reduction in the number of long term entries on the list. The majority of content is now removed within days.

This achievement is fully consistent with our promotion of a layered approach to tackling child sexual abuse content on the internet. We prioritise removal at source whilst supporting and facilitating a range of tactics which can work together to significantly impact the supply and demand for this content, including blocking.

#### INTERNATIONAL SUCCESS

We worked with the US Hotline, Cybertipline, to remove child sexual abuse content from the homepage of a legitimate site which had been abused.

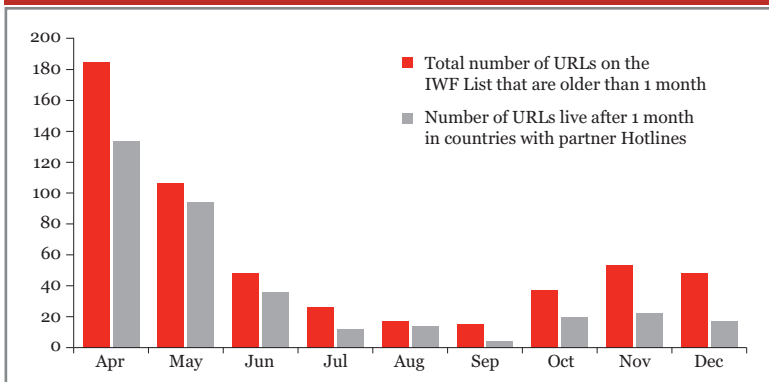
We identified a specific series of commercial websites with child sexual abuse content which were subsequently investigated by the French Police.

We worked with the Los Angeles Internet Crimes Against Children Department in relation to a report made to us.

We liaised with the Finnish Authorities to secure a protocol to allow exchange of information.

We signed an agreement with the Lithuanian Hotline to exchange information.

Figure 1: Number of URLs on the IWF List live for more than one month



Footnote: The chart does not include those URLs that are subject to police investigation

# Operational Trends

## Reports

During 2010 our Hotline processed 48,702 reports, a 27.6% increase over 2009. This growth reflects more reports from the public coupled with the increasing experience and capability of our Analysts in developing leads from the public. The increase in reports from the public is testament to the increasing awareness of our Hotline service as well as a determination amongst those who are exposed to such content to take responsible action by reporting it. Everyone can be assured that they can report through our website anonymously in a secure and confidential manner.

Figure 2 displays reports processed by our Analysts by category, and the number in each category which were assessed to be within remit and likely to breach UK law. 88.7% of all reports allegedly concerned child sexual abuse content and 34.4% were confirmed as such by our Analysts.

99.6% of the content reported to us as potentially criminally obscene adult content was either not hosted in the UK and therefore outside our remit or assessed by our Analysts as unlikely to breach UK law.

No instances of incitement to racial hatred content or non-photographic visual depictions of child sexual abuse reported to us were UK hosted.

Child sexual abuse content, for which we have a worldwide remit, continues to constitute the vast majority of our efforts.

## Volume

We took action regarding 16,739 instances of child sexual abuse content during the year on different webpages around the world. These relate to a wide spectrum of publicly available web-based child sexual abuse content, from the homepage of a prolific commercial child sexual abuse website to an individual photograph or video. Therefore each instance of potentially criminal content is considered on its merits according to its content, location and hosting arrangements.

The 16,739 webpages were traced to 41 different countries. 6 top level domains (.com, .ru, .jp, .net, .es, .org) accounted for 86.4% of all the webpages identified.

Whilst the number of individual webpages identified represents a 89.3% increase since 2009, this trend must be understood in terms of the changing hosting patterns for such content. With commercial distributors as well as individual offenders increasingly exploiting legitimate hosting services to publish images, we are seeing content being posted to separate locations rather than large collections of images stored within a folder on a single webpage.

With such criminality being conducted at an ever-faster pace, and through increasingly automated and temporary hosting arrangements, figures for numbers of images or webpages are no longer comparable with those of previous years, and we will not therefore be providing comparative data. Whilst we take our responsibilities extremely seriously as regards reporting the nature and scale of child sexual abuse content around the world, it is our development of specific intelligence, our support of police operations, our sophisticated understanding of the networks behind the commercialisation of the content and our commitment to refine and develop tactics to disrupt new and existing criminal techniques that play the most important part in the role of our Hotline.

Figure 3 displays the number of individual child sexual abuse webpages (which may be commercial or non-commercial content) and the number of websites these pages are distributed across.

## Brands

A significant proportion of our work concerns publicly available child sexual abuse images and videos provided on a commercial basis. In order to understand how this content is made available and the scale and number of criminal operations involved, we identify and track the 'brands' supplying the content, rather than focussing on the numbers of individual images.

In total, we have identified 715 unique sources of commercial child sexual abuse websites, each with a distinct website name and brand. 321 of these have been active during 2010. Of these, the ten most prolific 'brands' account for at least 47.7% of the commercial webpages we have seen, with the most prolific using 862 URLs. Each of the webpages or websites is a gateway to hundreds or even thousands of individual images or videos of children being sexually abused, supported by layers of payment mechanisms, content stores, membership systems and advertising frames. Payment systems may involve pre-pay cards, credit cards, 'virtual money' or e-payment systems and may be carried out across secure webpages, text, or email.

Crucially, we have tracked the movements of these website 'brands' around the world and between hosting providers whilst mapping associations and links between the different 'brands' themselves. It is clear from this analysis that criminals appear to operate a cluster of commercial child sexual abuse 'brands' from the manner in which they share hosting patterns, payment arrangements, advertising systems and registration details as well as from the overall appearance of the websites.

This information provides an important focus for the law enforcement agencies working around the world to combat this serious issue and bring those responsible to justice.

### Location

We traced every instance of online child sexual abuse content identified to determine the geographical location of the server on which it appeared to be hosted at the time of assessment. This enables us to pass the details immediately to the relevant Hotline or law enforcement agency or to take action ourselves in direct collaboration with the company whose services are being abused.

Those countries whose internet services are exploited for the distribution of child sexual abuse content are often those with developed technological infrastructures and a range of flexible hosting services. This equates to North America, Europe (including Russia) and to a lesser extent, Asia, where we have good working relationships. We will continue to develop our international relationships in other parts of the world.

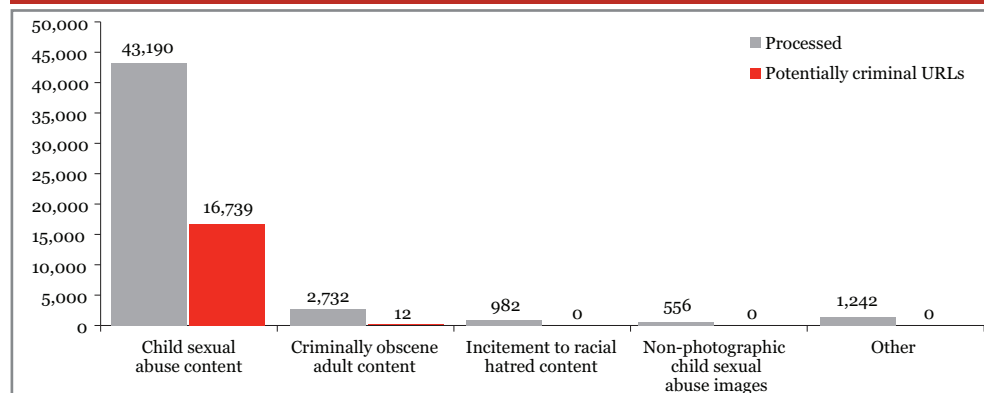
Figure 4 displays the geographical distribution, by continent, of child sexual abuse webpages known to the IWF during 2010.

### Severity

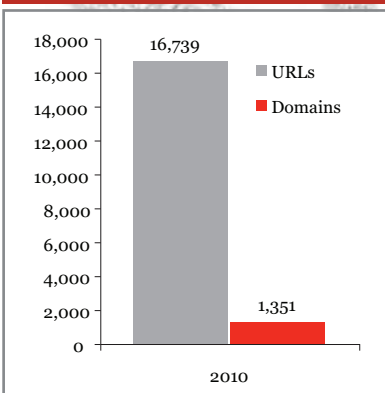
All those working to combat online child sexual abuse are mindful of the limitations of using numbers to understand severe sexual exploitation and such insidious offences. Nevertheless, we believe it is important to portray the severity of the crimes that are being perpetrated against the young victims in the images and videos our Analysts deal with every day.

73% of the child victims appear to be under 10 years old. 65.6% of the images and videos depicted sexual activity between adults and children including the rape and sexual torture of the child.

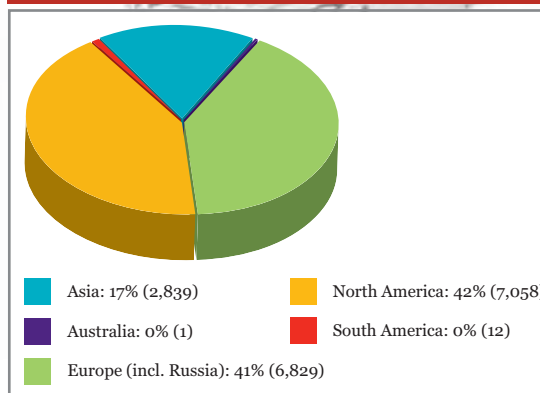
**Figure 2:** Total reports processed and proportion considered potentially criminal by category



**Figure 3:** Child sexual abuse URLs and domains, worldwide



**Figure 4:** Confirmed child sexual abuse URLs by location (continent) of hosting provider



# Members

## Industry services

The IWF helps the online industry to combat the abuse of their services and to protect their customers by:

- Operating a Hotline for the public to report potentially criminal online content within remit
- Fulfilling a core 'notice and takedown' role for the swift and systematic removal at source of content within remit from UK networks
- Facilitating the removal at source of non-UK hosted child sexual abuse content for Members with hosting services abroad
- Providing a list of newsgroups related to child sexual abuse content to enable service providers to disrupt the distribution of this content via such groups
- Providing a list of specific webpages hosted abroad with child sexual abuse content to enable service providers to block inadvertent access to them
- Supplying a list of keywords used by those seeking child sexual abuse content to improve search returns and reduce the abuse of networks
- Acting as a relevant authority and point of expertise for reporting, handling, assessment, tracing and investigation of content within remit.

IWF membership also brings with it the opportunity to contribute to the development of internet policy and to participate in an international family of opinion shapers on internet issues including online safety and child protection.

This effective self-regulatory approach is recognised internationally and we are grateful to all our Members for their continued funding and support of our work.

*"In 2010 the Funding Council and IWF worked together on frameworks to increase the coverage of efforts to remove criminal material from websites, and to improve the transparency and accountability of industry-led blocking schemes. These examples show the IWF and its Members leading the way in corporate responsibility by ensuring that our codes, policies and good practice guidelines stand the test of time and technological change."*

Andrew Cormack, Chair of IWF Funding Council and Chief Regulatory Advisor, JANET(UK)

£20,000 +	 	 	 	 
£5,000 +	     	     	     	     
£1,000 +	 	 	 	 
Non-member licensees				

IWF Members during 2010



# Governance



Eve Salomon



Emma Ascroft



Stephen Locke



Sir Rodney Brooke CBE



Naomi Cohen



Prof. Alisdair Gillespie

## IWF Board

The IWF is governed by a Board of ten consisting of an Independent Chair, six independent Trustees, and three industry Trustees. The Board elects two Vice-Chairs, one from the industry Trustees and one from the independent Trustees. The Board monitors, reviews and directs the IWF's remit, strategy, policy, and budget to enable the IWF to achieve its objectives.

Member companies which support the IWF nominate representatives to a Funding Council. The Funding Council elects three of its members to represent industry views on the Board. Independent Board members are chosen by an open selection procedure following national advertisement.

### Eve Salomon

#### Independent Chair

Eve is an international consultant in media regulation and law, and is a legal expert for the Human Rights Division of the Council of Europe. Eve is also Chair of the Royal Institution of Chartered Surveyors Regulatory Board, a Press Complaints Commissioner and a Gambling Commissioner. Previously, she was a member of the independent Better Regulation Commission, Deputy Secretary of the Independent Television Commission, Director of Legal Services at the Radio Authority, and Interim Secretary of Ofcom.

### Emma Ascroft

#### Industry Vice-Chair

Emma is Director of Public Policy at Yahoo! UK & Ireland with responsibility for all internet related policy matters and self-regulatory initiatives, including social policy and child protection. Emma has been involved in public policy and developing self-regulation in digital media and the internet for over 15 years and has served on the board of ISPA and other industry bodies.

### Stephen Locke

#### Independent Vice-Chair

Stephen is a specialist consultant on consumer policy and regulation and has extensive experience in both capacities. He is on the Board of Consumer Focus, is a non-Executive Board Director of the Payments Council and is a member of the Advertising Advisory Committee of the Broadcast Committee of Advertising Practice which sets the standards for TV and radio advertising.

## Independent Trustees

### Sir Rodney Brooke CBE

Sir Rodney is Chair of the Quality Assurance Agency for Higher Education, the Dolphin Square Trust and the Independent Panel for Remuneration of Councillors in London and is a Trustee of the Tavistock Institute. He is a member of the National Information Governance Board, Capacitybuilders and an Honorary Fellow at the Institute of Public Policy at Birmingham University. He was Chief Executive of West Yorkshire County Council and the City of Westminster Council and has many years' experience in the public and voluntary sectors.

### Naomi Cohen

Naomi is Head of Communications Development for the National Employment Savings Trust (NEST) with over 20 years experience in senior roles across the voluntary, public and private sectors. Naomi has been a founder, trustee and committee member of several charities and is currently on the Board of Leeds University Union and a member of the Chartered Institute of Public Relations (CIPR).

### Professor Alisdair Gillespie

Alisdair is Professor of Criminal Law and Justice at De Montfort University. A qualified barrister, he was also appointed Guest Professor in the Department of Applied I.T. at the University of Gothenburg. Alisdair's primary research is in respect of the law relating to child sexual exploitation, particularly when facilitated by information and communication technologies. He provides policy advice and training to law enforcement agencies and the Crown Prosecution Service and is a Trustee for a number of regional charities.

### Mary MacLeod OBE

Mary is an independent family policy adviser on children and family welfare and was the founding chief executive of the Family and Parenting Institute. She is an Executive Board Member of the UK Council for Child Internet Safety, a Trustee of Gingerbread, Chair of the DCSF advisory group on private fostering, and of the advisory Group of Safenetwork, a board member of the Child and Family Court Advisory Service, the Video Standards Council and of Great Ormond Street Hospital for Children NHS Trust. Mary was awarded an honorary doctorate by the Open University and an OBE for services to children and families in 2008.

### Dr Suzy Walton

Suzy is a Chartered Director, a Chartered Scientist and a Chartered Occupational Psychologist. She has a portfolio of board roles including Birmingham Children's Hospital, the University of Westminster and Combat Stress. She sits on the government's Science Advisory Council, the Ethics Group of the National DNA Database, is an Ambassador for the Government Equalities Office for diversity on boards and has over a decade's experience in central government. Suzy has five children.



Mary MacLeod OBE



Dr Suzy Walton



Mark Gracey



Hamish MacLeod



Jonny Shipp

## Industry Trustees

### Mark Gracey

Mark has been with THUS for more than a decade and is responsible for internet and telecoms regulation, liaison with law enforcement and data protection compliance under the THUS and Demon brands, which are now part of Cable & Wireless Worldwide.

### Hamish MacLeod

Since 2002 Hamish has chaired the Mobile Broadband Group, a grouping formed by the four mobile network operators in the UK to work jointly on public policy issues. Hamish completed his term of service on the IWF Board in April 2010.

### Jonny Shipp

Jonny is Telefónica Europe's Head of Strategy & Implementation for Digital Confidence. He is responsible for content standards and online child safety and has led wide-ranging projects and partnerships across Europe to secure customer trust and confidence in digital products and services.

## Staff

Based in Oakington, Cambridge, the IWF operates with a team of sixteen. It is led by its Chief Executive and three Directors.

### Peter Robbins OBE, QPM Chief Executive

Peter was appointed Chief Executive of the IWF in 2002 and has led the organisation's expansion from a membership base of fifteen companies to over one hundred and conversion from not-for-profit to charitable status. He is a member of the Executive Board of the UK Council for Child Internet Safety and regularly speaks at events and to the media on self-regulation and criminal online content.

### Deborah McGovern Deputy Chief Executive and Director of Policy and Performance

Deborah joined the IWF in 2010. She is responsible for our corporate services, including governance, performance and Member relations. Deborah is experienced in policy, Trustee and regulatory matters and latterly worked in an executive capacity for police authorities.

### Sarah Robertson Director of Communications

Sarah joined the IWF in 2005. She is responsible for developing and implementing the IWF's corporate communications strategy including public relations and public affairs as well as being a spokesperson for the organisation.

### Fred Langford Director of Technology and Content

Fred joined the IWF in 2004. He is responsible for the IWF's technical services and requirements as well as liaison with Member companies and other stakeholders regarding technical and content issues. He is also responsible for our Hotline, systems, and information security.

## Consultations

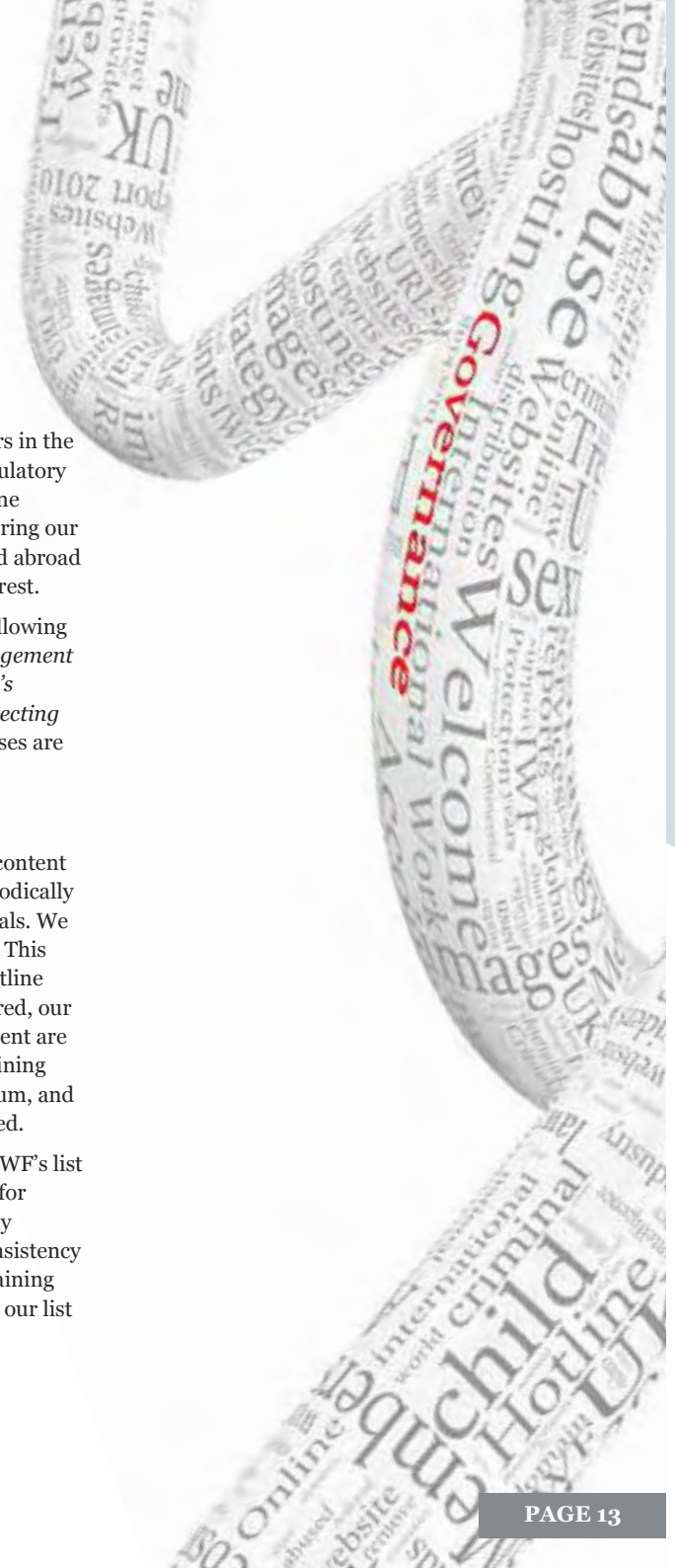
We receive interest from many sectors in the role of the IWF and the UK's self-regulatory approach to combating criminal online content and we are committed to sharing our experience and expertise at home and abroad where relevant and in the public interest.

During 2010, we responded to the following consultations: Ofcom's *Traffic Management and 'net neutrality'*, the *Home Office's Policing in the 21st Century: Reconnecting police and the people*. All our responses are published on our website.

## External Inspection

Our Hotline systems and processes, content assessment and staff welfare are periodically inspected by independent professionals. We are due an inspection in March 2011. This comprehensive audit ensures our Hotline standards are independently monitored, our report handling and content assessment are consistent and accurate, our staff training and welfare arrangements are optimum, and that complaints are effectively handled.

It also includes an inspection of the IWF's list of child sexual abuse webpages used for blocking purposes. This is particularly important in terms of confirming consistency of our decision making and in maintaining public and stakeholder confidence in our list and adherence to our remit.



# Accounts

## Charity report and accounts

Year ended 31 March 2010

Internet Watch Foundation: company registration number 3426366

## General information

In planning and carrying out the Internet Watch Foundation's activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit. We have promoted the care and protection of the health and welfare of the public, and in particular children and young people, by working to minimise the availability of potentially criminal online content. This content includes indecent images of children, criminally obscene adult content and incitement to racial hatred material. Our contribution to the prevention of crimes relating to offences associated with our remit involves fostering relevant strategic and information-sharing partnerships and taking a range of technological and tactical steps to reduce the availability in the UK of criminal online content to which the public may be exposed whilst also disrupting the distribution of indecent images of children around the world.

We processed over 40,000 reports through our Hotline which enables the public to report potentially criminal internet content to us for assessment and action. Through our efforts and those of our partners we have succeeded in reducing the availability of child sexual abuse images hosted in the UK to less than one per cent of such content known to us. Through our 'notice and takedown' service we have expedited the removal of potentially criminal content within our remit hosted in the UK. In addition we held a successful national Awareness Day in October 2009 culminating in our website being promoted by nearly 100 partner organisations which helped IWF receive a surge in website visitors and a corresponding increase in levels of public awareness.

The summarised financial statements (overleaf) are taken from the audited financial statements of the Internet Watch Foundation for the year ended 31 March 2010. The audited financial statements, on which the auditors have expressed an unqualified opinion, were signed on behalf of the Board of Directors of the Internet Watch Foundation, were approved on 27 July 2010 and were submitted to the Registrar of Companies on 14 September 2010. The financial statements were submitted to the Charity Commission for England and Wales on 29 October 2010.

The summarised financial statements may not contain enough information for a full understanding of the Internet Watch Foundation. Copies of the full audited financial statements may be obtained on request from the Internet Watch Foundation, East View, 5 Coles Lane, Oakington, Cambridge, CB24 3BA.

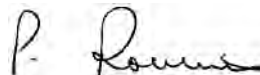
The Internet Watch Foundation was incorporated as a company limited by guarantee on 29 August 1997 and the Trustee leadership of IWF has continued to develop its objective of minimising the availability of potentially criminal internet content.

The Internet Watch Foundation is a registered charity, number 1112398.

The charity also has a subsidiary company, Internet Watch Limited, which engages in fundraising activities on behalf of the parent charity. Profits from the trading company are gift aided to the charity by way of a charitable donation.

During 2009/10 total expenditure on charitable objects was £970,674 (2008/09: £938,009).

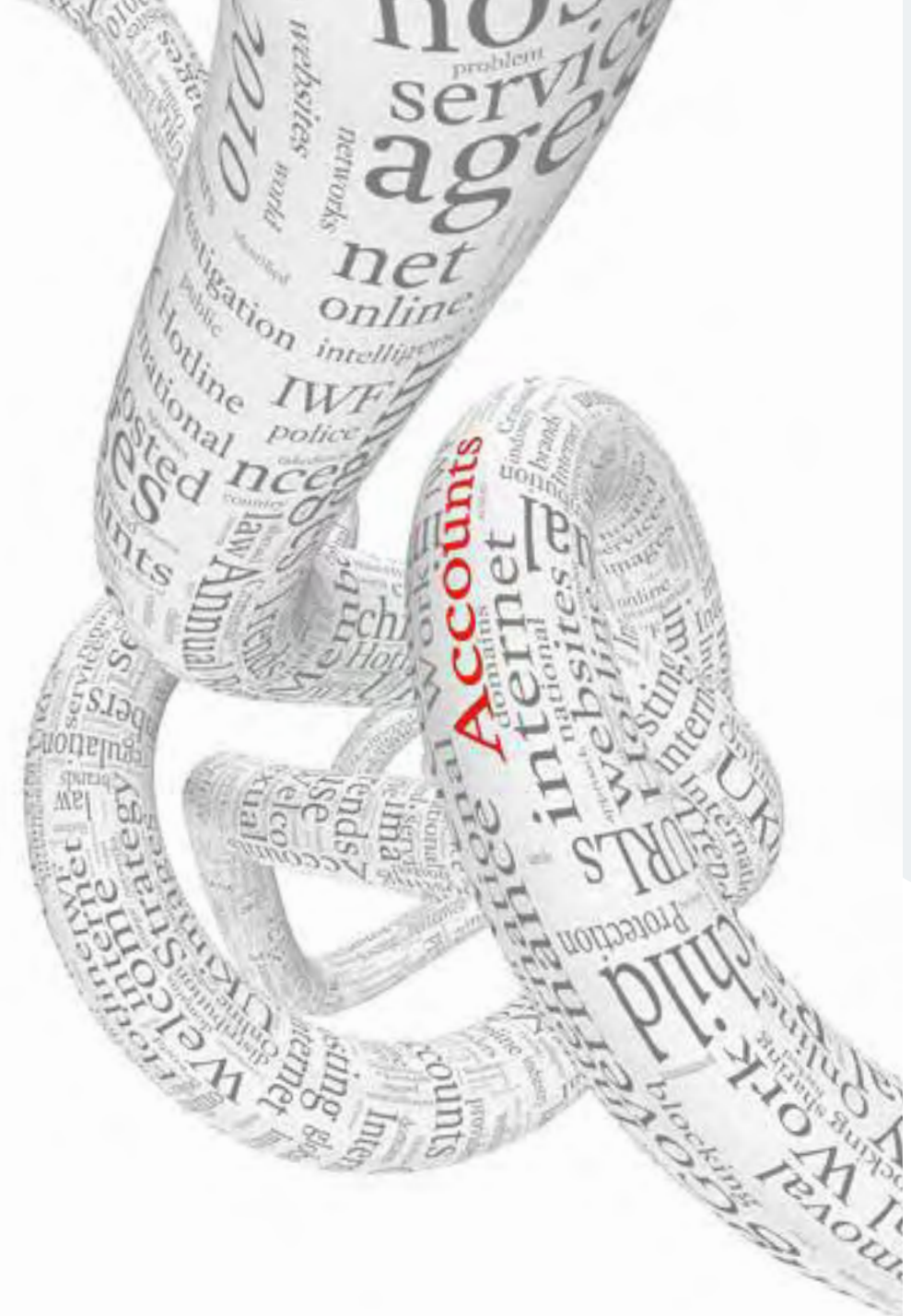
On behalf of the Board,



Mr P E Robbins OBE, QPM  
Secretary

Date: 5 November 2010





### **Internet Watch Foundation independent Auditors' statement to the Trustees**

We have examined the summary financial statement for the year ended 31 March 2010.

### **Respective responsibilities of Trustees and Auditors**

The Trustees are responsible for preparing the summary financial statement in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the summary financial statement with the full annual financial statements and its compliance with the relevant requirements of section 427 of the Companies Act 2006 and the regulations made thereunder.

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board. Our report on the company's full annual financial statements describes the basis of our opinion on those financial statements.

### **Opinion**

In our opinion the summary financial statement is consistent with the full annual financial statements of Internet Watch Foundation for the year ended 31 March 2010 and complies with the applicable requirements of section 427 of the Companies Act 2006 and the regulations made thereunder and with the applicable requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' (revised 2005).

We have not considered the effects of any events between the date on which we signed our report on the full annual financial statements (10 September 2010) and the date of this statement.

### **Peters Elworthy & Moore**

Chartered Accountants and Statutory Auditor  
Cambridge  
Date: 5 November 2010

### Summary consolidated statement of financial activities for the year ended 31 March 2010

	Restricted	Unrestricted	Total 2010	Total 2009
	£	£	£	£
<b>Incoming resources</b>				
<b>Incoming resources from generated funds</b>				
Voluntary income	–	21,597	21,597	20,366
Investment income and interest	–	4,868	4,868	30,817
<b>Incoming resources from charitable activities</b>	374,780	859,048	1,233,828	1,026,633
<b>Total incoming resources</b>	<b>374,780</b>	<b>885,513</b>	<b>1,260,293</b>	<b>1,077,816</b>
<b>Resources expended</b>				
Cost of charitable activities	319,520	651,154	970,674	938,009
Governance costs	–	95,588	95,588	91,965
<b>Total resources expended</b>	<b>319,520</b>	<b>746,742</b>	<b>1,066,262</b>	<b>1,029,974</b>
<b>Net incoming resources for the year</b>	<b>55,260</b>	<b>138,771</b>	<b>194,031</b>	<b>47,842</b>
Fund balances brought forward at 1 April 2009	–	678,048	678,048	630,206
<b>Fund balances carried forward at 31 March 2010</b>	<b>55,260</b>	<b>816,819</b>	<b>872,079</b>	<b>678,048</b>

### Summary consolidated balance sheet as at 31 March 2010

	2010	2009
	£	£
<b>Fixed Assets</b>		
Tangible fixed assets	6,209	24,459
	<b>6,209</b>	<b>24,459</b>
<b>Current Asset</b>		
Debtors	27,620	89,733
Short term investment	1,079,318	808,303
Cash at bank and in hand	114,454	84,535
	<b>1,221,392</b>	<b>982,571</b>
<b>Creditors: amounts due within one year</b>	<b>(355,522)</b>	<b>(328,982)</b>
<b>Net current assets</b>	<b>865,870</b>	<b>653,589</b>
<b>Total Assets Less Current Liabilities</b>	<b>872,079</b>	<b>678,048</b>
<b>Funds</b>		
Restricted Funds	55,260	–
Unrestricted Funds	816,819	678,048
<b>Total Charity Funds</b>	<b>872,079</b>	<b>678,048</b>



Accounts

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Welcome  
Internet  
Domains  
Distribution  
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Investigation  
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Regulation  
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Sexual  
Removal  
Criminal  
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2010



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5 Coles Lane  
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UK

Internet Watch Foundation  
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Company number: 3426 366

Internet Watch Limited  
Company number: 3257 438

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