



Prints on metal

Displate DSA 2024 Transparency Report

Displate is a community built upon the utmost respect for our customers and the law. As a service provider of an online website operating at www.displate.com and hosting provider in relation to the content we aim to provide the customers with the ultimate experience regarding our products. Displate is a global reaching company that sells its products in more than 50 different jurisdictions within and outside the EU – Displate is a dynamic, growing company which continuously adapts and revises its processes to be in compliance with the changing legal landscape.

Displate has a zero tolerance policy for rights infringement. Therefore, we ask Artists, Users and Influencers to remember about it each time they are on the website and use its functionalities. This is constantly reminded at different stages of using the website.

This report, covering the period from February 17, 2024 to December 31, 2024, provides an overview of our content moderation practices and is created accordance with the transparency reporting requirements under the European Union's Digital Services Act (Regulation (EU) 2022/2065) ('DSA').

The DSA establishes a legal framework for digital services providers across the EU, with a goal of enhancing safety and accountability online. Displate is committed to upholding core company values of building a community based on selling of artworks that are of the best possible quality, legal, through a process that ensures compliance and the best experience for all persons involved.

GWD Concept Sp. z o.o.

Al. Jerozolimskie 123a, 02-017 Warszawa

NIP: 9512364589, REGON: 146543888

www.displate.com



Prints on metal

This 2024 DSA Transparency Report provides insight into Displate efforts to support an online marketplace in compliance with the DSA. Our main goals are:

- 1) Setting clear rules for upload of User Generated Content with compliance with the law,
- 2) Protection of rights of IP owners,
- 3) Content moderation based mainly on reports by users and supplementary voluntary moderation by the Displate Team,
- 4) Quick, decisive and adequate action against illegal content, and bad actors,
- 5) Ensuring a proper appeals procedure is available,
- 6) Including automated mechanisms and basic AI tools to aid human moderators in tackling illegal content and have a better experience for customers.

Key areas of focus for Displate are:

- **Maintaining Marketplace Integrity:** We removed 3404 artworks after manual review during the period covered by this report. We also took action against 4561 user accounts, including banning 249 accounts and freezing 4312 accounts to uphold our policies and legal requirements.

- **Handling of rights violations:** Through our notice and takedown mechanisms (Takedown Request, communication directed to our Marketplace teams and Customer Service through multiple communication channels) we received and processed 340 notices of content that potentially violated the law. Of these, we confirmed and actioned on 329 of those. Our median response time was 48 hours.

- **Constant upgrades to moderation tools:** We continue to enhance our content moderation systems – we started testing additional automated tools and set up better human review procedures to protect our marketplace and improve Displate users experience. We update our tools based on performance metrics and trends, and our strategic initiatives have included

GWD Concept Sp. z o.o.

Al. Jerozolimskie 123a, 02-017 Warszawa
NIP: 9512364589, REGON: 146543888

www.displate.com

increasing control precision, launching new AI and machine learning models to aid human decision making process, and improving workflow efficiencies.

Below is a in-depth analysis of Displate's compliance under DSA.

Table of content

1.	Orders from EU Authorities to Remove Illegal Content:.....	5
2.	Notices Submitted via Notice and Action Mechanism:.....	5
3.	Content Moderation Practices:	7
4.	Handling User Appeals.....	13
5.	Automated Content Moderation:	13
6.	Out of Court Dispute Settlement (ODS).....	14
7.	Suspensions and Closures of Accounts	14

1. Orders from EU Authorities to Remove Illegal Content:

During the reporting period, Displate did not receive orders from EU Member State authorities to remove content deemed illegal.

2. Notices Submitted via Notice and Action Mechanism:

As part of our notice and action process, 524 notices were submitted regarding potentially violating content. These notices include both illegal content (340 notices) and content that is legal but violates Displate policies (184 notices). Some of those included more than one artwork.

Displate has in place notice mechanisms allowing users, individuals, and entities to notify Displate of allegations relating to potentially illegal content. These mechanisms are available and easily accessible. Notice and action claims in the period reported could be sent via:

- 1) dedicated mechanism (Takedown notice) available at the website – which is intended mainly for IP violations;
- 2) direct contact with Displate through:
 - a. Emails;
 - b. DM's on social media platforms on which Displate has a presence;
 - c. Post sent to the office or factory;
 - d. Phone calls;
 - e. Basic chatbot (which focuses primarily on report a stolen artwork - IP violations) and requests for removing from the store art sexualizing a child;

Once Displate receives such a notice, a designated team reviews the reported content in line with Terms of Use and other relevant documents. Instances of duplicate notice are handled by applying the original manual decision, to avoid conflicting decisions. Following review of these user notices, we removed the content from ca. 84% of these reports, reinforcing the valuable role of our community participation in policy enforcement.

For the period covered by the report it can be summarized as follows:

Type of the content in question	Reports	Reports ending in removal	Processed by using automated means	Basis for the action
Illegal or harmful speech (harassment, vulgarity, and hate speech)	0	0	n/a	n/a
Intellectual property infringements	340	329	0	Terms of Use, statutory law provision
Protection of minors	0	0	n/a	n/a
Spam (similar or identical content reupload)	0	0	n/a	n/a
Displate Community Standards violations	0	0	n/a	n/a
Adult	19	9	n/a	Terms of Use
Technical issues	165	104	n/a	Terms of Use

On average, we took 48 hours to act on these notices. In instances where there are multiple pieces of content reported, we calculate turnaround time as the time between when the notice was submitted and the first action we take. Longer handling of the matter occurred when:

- 1) Notice was lacking proper documentation – mostly power of attorney to represent the IP owner with regard to notices on IP infringement or documents confirming ownership of IP, which resulted in need for further communication and clarification.
- 2) Notice did not specify the artwork in question or the precise nature of violation, which resulted in the need for further communication and clarification.

In such cases decisions can require different time frames due to specific nuances. More complex decisions may require additional guidance from specialized staff and therefore more time.

During this period no notices from trusted flaggers were issued as no trusted flaggers have been designated yet. The number of reports in which the reporting person has explicitly referred to its status as a trusted flagger: not available, as no report was made.

The number of exclusively automatically processed reports: zero, as the review of notified content, the decision and the implementation of the decision is always carried out by a natural person.

3. Content Moderation Practices:

We expect every user to follow our legal terms and policies, which are provided in the Terms of Use (available at www.displate.com). Displate aims to be marketplace where creativity, authenticity, and diversity thrive. As we operate a diversified portfolio of content, we have to distinguish moderation practices to relevant sources of it.

One essential content source at Displate is the Marketplace with Artist generated content

When Artist opt in to uploading arts to www.displate.com and becoming part of our community they commit to following Displate's Terms of Use which outline what can be uploaded on Displate and Displate's standards. When uploading art, they are also informed about the applicable rules. Every decision Displate makes precisely renders the reasoning for action taken.

Displate strives to write rules and policies as clearly as possible to help members around the world understand their rights and responsibilities. Our Customer Service and Marketplace team is dedicated to helping understand the rules, and also detecting potential content violations and enforcing our policies.

The Artists are required to upload only works which do not infringe upon the copyrights, moral rights, publicity rights, privacy rights or any other rights of any person or third party, or violate any law or judicial or governmental order, that are in line with Displate community standards and are of certain quality. With regard to artworks that are not in conformity with such guidelines certain actions might be taken by Displate:

- 1) The artwork may not be uploaded to the website,
- 2) The artwork may be removed from the website after uploading.

Artist that violate the terms of use, especially with regard to the upload of artworks violating rights might:

- 1) Have their account banned,

- 2) Have their account frozen – with limitation set on number of artworks to upload at given time interval.

Displate moderation process checks in good faith and in a diligent manner, on a voluntary basis if the artwork is in compliance with the terms of use – if it is of proper quality, artistic value, does not at face value contain illicit content (especially content violating IP licensing agreements to which Displate is part, and which are part of operating licenses Brandshops), after which it is usually uploaded to the website – unless the abovementioned investigation bars publication. The exact moment of upload is determined internally by Displate based on a number of objective criteria such as sales potential, user engagement potential, the backlog of artwork waiting for upload. The uploading process is aided by AI based algorithms, but the final decision rests on Displate personnel. The exact amount of artwork an artist might upload at a given time is also determined by Displate – depends on objective criteria such as repetitiveness of the artwork, the generated revenue, the technical limitations present at Displate, the marketing and sales potential of previously generated art. The aim of this process is to have the most valuable art uploaded first, so that customers have the best possible experience and can look at the most interesting Displates possible.

After uploading the art may be checked by Displate (which is done in good faith and in a diligent manner, carried out voluntarily at own-initiative) and – in worst case scenario - removed from the market place or it can be subject to takedown mechanisms mentioned above.

The second source of content are Brandshops

Displate operates not only a Marketplace for user generated content, but also Brandshops where only officially licensed artwork appear – they are operated by Displate on behalf of certain



Prints on metal

IP owners – this is based on licensing agreements entered into by Displate with said IP owners. Artwork in the Brandshop is generated solely by Displate commissioned artists in tandem with the IP owner – the design is fully approved and checked. As part of good faith and diligent actions, Displate maintains a screening process for artwork uploaded to the Marketplace – aimed at blocking content designated by Brandshop owners from appearing at the website. This process is partially aided by AI based algorithms, but the final decision rests on Displate personnel.

Displate Club

Displate operates a subscription service known as Displate Club. One feature of this service is the ability of users to print and buy Custom made products – based on artwork uploaded by them. Users being part of Displate Club may at their own discretion upload artwork for personal use and print on Displates (which are not publicly available for viewing or selling). Said artwork is also subject to Terms of Use regarding the violation of rights of others and to quality requirements and may be subject to order cancellation. Displate Club members who commit gross violations of the Terms of Use may be banned from using the service.

In the period reported Displate had 10249 Custom Print orders from Displate Club members. Of those only 261 orders were cancelled in accordance with the Terms of Use (i.e. illicit content). 71 User accounts were blocked as a result of gross violations of the Terms of Use.

Processing notices

Notices from our community members are an integral part of process of efforts to combat illicit content – after the upload of the artwork this is the main focal point and most important

GWD Concept Sp. z o.o.

Al. Jerozolimskie 123a, 02-017 Warszawa
NIP: 9512364589, REGON: 146543888

www.displate.com



Prints on metal

information source on possible illicit content. Displate strives to enforce our policies fairly and hold all Artists and users accountable to the same standards to strengthen trust in our community and maintain the integrity of our platform. We encourage users to report any violations, and when we determine that an artwork violates Displate's policies we remove it (in the most problematic cases we block the account).

A result of this process is the removal of the artwork from the marketplace and a notification sent to the artist regarding the removal. The affected person can request a review of that decision.

Over the reporting period, 3502 individual artworks were flagged and after subsequent manual human review 3404 were removed for violating our policies. In most severe cases we ban the account or freeze it (as described below).

Moderation tools and mechanisms

Displate uses aid from automated systems (for first-step validation and upload queue in the Marketplace) to facilitate the process of human review (done in good faith and in a diligent manner, carried out voluntarily at own-initiative) by a dedicated team to evaluate and remove policy-violating artwork – with the aim of acting expeditiously to remove or to disable access to any illegal content. Displate invests in human reviewer training and improving precision in available measures for a more accurate and efficient reviews. Human reviewers are provided with various tools and resources when undertaking content review. For example, human reviewers receive in-depth training and specialize in content moderation. Human reviewers who review content alleged to be illegal receive distinct training based on the nature of their respective work. We recognize that reviewing content can be challenging work - review teams

GWD Concept Sp. z o.o.

Al. Jerozolimskie 123a, 02-017 Warszawa
NIP: 9512364589, REGON: 146543888

www.displate.com



Prints on metal

have to look at content that may be objectionable or graphic. We respect the difficulty of this work and ensure reviewers have access to the resources they need to do their job and support their health.

Inclusion of automated systems

Displate uses automated systems (algorithms) to display certain artwork on the website with internally established priority criteria - this includes:

- 1) the search results pages,
- 2) the “similar artwork” functionality,
- 3) the “related searches” functionality.

Those systems are based on algorithms which choose artwork for priority viewing by the website’s users based on Displate’s internally developed criteria – the main purpose is to help legitimate artists and present the most interesting and highest quality artwork to users – removing repetitive art, low quality or similar art.

User moderated content

Displate also provides users with the option to use a Community Choice filter – providing them with a selection of arts done by a variety of most influential artists gathered in the Community Board. This selection is aimed at providing quick and easy access to content of the highest quality and best resonating with Displate’s values.

4. Handling User Appeals

To ensure accountability, we provide users with the opportunity to appeal moderation actions. The criteria to determine the outcome of an appeal include a review of many factors including account history, past warnings, artists portfolio, membership details – they are specified in internal procedures and guidelines and strictly observed. This process is done fully without automated means of decision making.

Between February 17 and December 31, 2024 there were 0 submitted appeals regarding removed content or suspended accounts.

5. Automated Content Moderation:

As previously mentioned Displate uses automated moderations systems in the process for aiding the personnel. Systems leverage pre-defined rules and machine learning to screen for potential violations of our policies or to provide the best experience possible.

Displate continually invests in development of automated content moderation tools to promote the safety and integrity of Displate's website and the best possible quality of prints and buying process.

Displate monitors and tests the performance of automated controls that aid human decision-making. This includes calculating precision for controls and maintaining dashboards to improve the day-to-day operation of the system. Controls are categorized and tracked with specified metrics, enabling human review and adaptation. As the decision making process is at the final

step based on human decision the accuracy rates and possible error rate of the automated means used are not measured – the decision is not done by an automated system. Human review is used as a final safeguard. Displate is also committed to continuous improvement of enforcement at scale, involving regular monitoring, evaluations, and updates to controls based on performance metrics and emerging trends. We're also investing in continuous improvement, including increasing the accuracy of our automated flags, using machine learning (ML) models, and migrating workflows to more efficient systems.

6. Out of Court Dispute Settlement (ODS)

During the reporting period, Displate was not aware of any users escalating disputes to certified EU out-of-court dispute resolution mechanisms.

7. Suspensions and Closures of Accounts

To maintain the integrity of Displate marketplace and comply with regulations, we took action against accounts that violated our content policies based on the nature and severity of their behavior. We banned a total of 249 accounts, meaning these accounts were permanently closed due to severe violations or other significant policy breaches.

Additionally, 4312 accounts were frozen, which temporarily suspended or limited certain functionalities, such as uploading artworks. Freezing was applied in cases of less severe violations or when further investigation was required.

Number of Accounts under review	Account Banned	Account Frozen	Basis for the action
4561	249	4312	Terms of use

Additionally 71 User accounts were blocked for gross violations regarding Displate Club policies regarding Custom Prints.