

The New Currency of the Digital World: True **Digital Sovereignty** — Structure and Control

How embraceableAI creates a resilient foundation for sovereign AI systems in Europe.



Executive Summary

Why Sovereignty is Not a Promise, but a Criterion.

✚ Amidst growing geopolitical tensions, increasing regulation, and profound digitalization, technological sovereignty is becoming a fundamental strategic issue for Europe. However, while many market players use the term inflationarily, it often lacks structural substance.

This Whitepaper makes it clear:

True digital sovereignty is not open to interpretation—it is verifiable. Three concrete criteria are decisive and must be met collectively to ensure trust, independence, and resilience in the digital space.

3 Conditions

for true sovereignty

01

01 European Legal Entity and Jurisdiction

Black-box decisions are a thing of the past. Our Reasoning Engine puts an end to unclear thought processes and gives you full control over what your AI does, and **why**.

- Effectively enforce EU law.
- Guarantee protection from extraterritorial legislation (e.g., Cloud Act, Executive Orders).
- Ensure clear liability and control relationships.

02 Factual Decision-Making Power through a European Capital Structure

Who owns the platform—and who makes the decisions in a critical situation? This question can only be answered by analyzing the capital supply chain:

- Who are the shareholders and investors?
- Are there veto rights, approval requirements, or blocking minorities?
- Is influence from foreign investors structurally excluded?

Only completely European ownership and control structures create the prerequisite for decisions to be made permanently in Europe's interest.

03 Sovereign Architecture Software

The independence of a digital system does not end with its owner—it begins in the architecture.

True sovereignty requires:

- In-house developed or open-source software, supported by stable open-source communities or trustworthy foundations (e.g., Linux Foundation, Apache, Eclipse)
- Full auditability
- Portability with regard to infrastructure components

Categorisation: A **strategic** Phase like the early Internet years

The current situation is partly reminiscent of the "Browser Wars" of the late 1990s. Then, as now, it was about standards, platform dominance, and the question of who controls access to the digital world. Today, it's no longer just browsers, but entire AI stacks, cloud infrastructures, and decision-making systems—yet the principle remains similar:

- + Whoever controls the technological foundation determines how **digital services can be used**.
- + Whoever monopolizes platform access can influence **prices, rules, and the pace of innovation**.

The lesson from that era is clear: technological competition requires structural diversity, real alternatives, and fair control mechanisms — not just innovative strength, but also institutional independence.

That is why it is crucial to build sovereign systems now, before new technological path dependencies solidify. Europe is at a turning point—and has the chance to set new standards with credible, structurally independent players.

embraceableAI

Sovereignty by Design

03

embraceableAI meets all three criteria without compromise:

01

European Legal Entity:

- A German company with its headquarters and jurisdiction in the EU
- Legal framework is entirely European

02

Freedom of Decision through Capital Structure:

- 100% European shareholder structure
- No geopolitically tied investors
- No veto rights or blocking structures

03

Sovereign Technology Architecture:

- Proprietary Reasoning Engine for controlled decision automation
- Use of open-weight models with permissive licenses
- Infrastructure on the IONOS Cloud (EU Public Cloud, GDPR-compliant, without US access risk)
- Platform stack is based on proprietary development and selected open-source software with resilient stewardship

embraceableAI is not a wrapper around foreign technology—but a European operating system for trustworthy, agentic AI applications.

Conclusion: Structure trumps Labels

Real sovereignty only exists if:

- 1 purely European legal entities provide the service(s),
- 2 these are completely free from non-European voting rights and influence,
- 3 and the entire software supply chain is either open-source or developed in-house.

Anyone who does not meet one of these criteria cannot guarantee resilient technological sovereignty.

embraceableAI fulfills them all—structurally, technologically, and strategically.



AI secure & effective?

We show you how to use AI securely and effectively in
companies and public authorities.

embraceableAI (and the company behind it, embraceable Technology GmbH) is a German software and AI company founded in 2018 with the mission to integrate Artificial Intelligence into the business context in a practical and everyday manner. An interdisciplinary team of AI specialists, as well as cloud and software engineers, develops high-performance and reliable solutions inspired by biological principles.

The technology helps companies automate routine tasks, design complex processes more efficiently, and drive innovation faster.

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