

Whereas: The Facebook brand has been diminished in recent years due to the platform’s use as a tool for gross disinformation, hate speech, and to incite racial violence. What was envisioned as a tool to connect people has been co-opted for dissemination of disinformation and violent extremism, which has led to many instances of human suffering and death. Management and the board have failed to take effective action to stem these abuses, which has resulted in a series of negative impacts including:

- [Posts by the Myanmar \(Burmese\) military junta that incited genocide](#);
- [Cambridge Analytica’s misappropriation](#) and abuse of millions of Facebook users’ data;
- [Russian hackers influencing the outcome of the 2016 U.S. Presidential election](#);
- Over [45 million images of child pornography and torture made public](#);
- A proliferation of political advertisements that contain [deliberate lies and disinformation](#);
- [Hate speech](#) linked to [anti-immigrant violence](#);
- [Libyan Facebook users buying arms](#), locating foes, and killing them;

Proposed governmental restrictions, in the form of amendments to [Section 230 of the Communications Decency Act](#) (which currently provides legal shelter to internet providers) pose a material risk to Facebook. A range of other regulatory and legal efforts currently underway could significantly increase Facebook’s legal risk – including a recent 48-state lawsuit filed against Facebook.

A 2020 Facebook advertiser boycott urged companies to suspend advertising in protest against the platform’s handling of hate speech and misinformation. Over 1,000 advertisers publicly joined the boycott, while others more quietly scaled back or curtailed their spending.¹

Verizon, Clorox, Coca-Cola, HP, and Lego continued the boycott for months afterward. Meanwhile, according to digital marketing firm Pathmatics,² companies including **Target, Nike, Netflix, Hershey, and Microsoft** vastly reduced their platform spending.

Individual [delete Facebook](#) campaigns have gone viral such that now the Facebook brand is associated with “[a thriving culture of hate speech](#).”

The New York Times reports that, in preparation for the 2020 U.S. Presidential election, Facebook successfully altered algorithms and took other actions to de-prioritize extremist postings and to instead emphasize mainstream news content.³ While the company has

¹ <https://www.nytimes.com/2020/08/01/business/media/facebook-boycott.html>

² <https://fortune.com/2020/11/07/facebook-ad-boycott-big-brands-lego-clorox-verizon-microsoft-hp/>

³ <https://www.nytimes.com/2020/11/24/technology/facebook-election-misinformation.html>

described plans to “evaluate” partner and content monetization policies and the effectiveness of brand safety controls available to advertisers,⁴ it now appears the company may instead aim to reduce or eliminate the successful pre-election controls.⁵

Resolved: Shareholders request that the Board prepare a report to assess the benefits and drawbacks to our Company of maintaining or restoring the type of enhanced actions put in place during the 2020 election cycle to reduce the platform’s amplification of false and divisive information.

Supporting Statement: The report, at reasonable cost and omitting proprietary and privileged information could, at Board discretion, characterize and quantify the benefits or harms of such enhanced actions on, among other things:

- Employee morale, recruitment, and retention;
- The existence and impact of public boycott campaigns;
- Legal and regulatory actions against the company related to content;
- Revenue and earnings.

The report should be made available by December 2021.

4

<https://www.facebook.com/business/news/updates-to-our-continued-investment-in-system-transparency>

5 <https://www.nytimes.com/2020/11/24/technology/facebook-election-misinformation.html>