

## **Independent Board Chairperson**

### **Resolved:**

Shareholders request the Board of Directors adopt as policy, and amend the bylaws as necessary, to require henceforth that the Chair of the Board of Directors, whenever possible, be an independent member of the Board. This independence policy shall apply prospectively so as not to violate any contractual obligations. If the Board determines that a Chair who was independent when selected is no longer independent, the Board shall select a new Chair who satisfies the requirements of the policy within a reasonable amount of time. Compliance with this policy is waived if no independent director is available and willing to serve as Chair.

### **Supporting Statement:**

Facebook CEO Mark Zuckerberg has been Board Chair since 2012. His dual-class shareholdings give him approximately 58% of Facebook's voting shares while holding only 13% of the economic interest, leaving the board, even with a lead independent director, with only a limited ability to check Mr. Zuckerberg's power. We believe this weakens Facebook's governance and oversight of management. Selecting an independent Chair would free the CEO to focus on managing the Company and enable the Chairperson to focus on oversight and strategic guidance.

Facebook has resisted recent shareholder requests to separate these roles. At the 2019 annual meeting, according to our calculations, this proposal received the support of 68% of the votes cast when excluding the shares of 13 executives and board members. However, the board has not acted on this important signal from its non-insider shareholders.

Alphabet, Microsoft, Apple, and Autodesk all have separate CEO and chairperson roles. We believe this lack of independent board Chair and oversight has contributed to Facebook missing, or mishandling, a number of severe controversies, increasing risk exposure and costs to shareholders.

Concentrating power in the hands of one person – any person – is unwise. Looking forward to future growth opportunities, we believe Facebook needs strong risk oversight and to rebuild trust with investors, employees, users, and regulators. Transitioning to an independent board chair is necessary to rebuild the company's reputation and to create a governance environment with the benefits of genuine accountability and meaningful oversight.