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‘FAKE NEWS’ DRIVES GOVERNANCE RESOLUTIONS AT FACEBOOK

LAPFF supports board changes as Facebook fails to get inappropriate content and member privacy under control

The Local Authority Pension Fund Forum (LAPFF) recommends members vote in favour of four resolutions at Facebook’s AGM as the social media platform continues to face criticism regarding the use of personal data and not doing enough to halt the spread of hate speech and ‘fake news’.

For example, footage taken by the perpetrator of the March 2019 Christchurch shootings in New Zealand was disseminated on Facebook. The Forum has been part of an investor initiative encouraging social media platforms to better manage abuse.

The four Facebook shareholder resolutions are:

- A change in stockholder voting since, under the current system, founder-CEO Mark Zuckerberg owns a 13% stake in the company but controls a majority of the votes.
- Election of an independent chair.
- Implement majority voting for directors. At present a director can be elected if one vote is cast in their favour even if all other shareholders opposed their election.
- Appoint a human/civil rights expert on board. Facebook has been criticised for failing to address hate speech that targets groups based on race and gender. An individual should be appointed to provide board-level oversight of these issues and develop a strategy to avoid violations of human or civil rights.

The AGM will be held on 27th May 2020.

Cllr Doug McMurdo, Chair of the Local Authority Pension Fund Forum, said “Facebook is a high-profile company which has suffered significant reputational damage in recent years, and many of the concerns relate to civil and human rights. Although the company appears to have made improvements, it is often reactive. The platform needs to be proactive and have clear and sound governance to protect its users and the wider public.”



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About the Local Authority Pension Fund Forum: The Local Authority Pension Fund Forum (LAPFF) is a voluntary association of 82 public sector pension funds and six pools based in the UK with combined assets of approximately £300 billion. It exists to 'promote the long-term investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate responsibility and high standards of corporate governance amongst the companies in which they invest.' www.lapfforum.org. PIRC is the Research and Engagement partner to the Forum.