



Michael Garland
ASSISTANT COMPTROLLER
CORPORATE GOVERNANCE AND
RESPONSIBLE INVESTMENT

CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
SCOTT M. STRINGER

MUNICIPAL BUILDING
ONE CENTRE STREET, 8TH FLOOR NORTH
NEW YORK, N.Y. 10007-2341
TEL: (212) 669-2517
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MGARLAN@COMPTROLLER.NYC.GOV

October 11, 2018

Corporate Secretary
Facebook, Inc.
1601 Willow Road
Menlo Park, CA 94025

Dear Secretary,

I write to you on behalf of the Comptroller of the City of New York, Scott M. Stringer. The Comptroller is the custodian and a trustee of the New York City Employees' Retirement System, the New York City Fire Pension Fund, The New York City Teachers' Retirement System, and the New York City Police Pension Fund, and custodian of the New York City Board of Education Retirement System (the "Systems"). The Systems' boards of trustees have authorized the Comptroller to inform you of their intention to present the enclosed proposal for the consideration and vote of stockholders at the Company's next annual meeting.

Therefore, we offer the enclosed proposal for the consideration and vote of shareholders at the Company's next annual meeting. It is submitted to you in accordance with Rule 14a-8 of the Securities Exchange Act of 1934, and I ask that it be included in the Company's proxy statement.

Letters from State Street Bank and Trust Company certifying the Systems' ownership, for over a year, of shares of Facebook, Inc. common stock are enclosed. Each System intends to continue to hold at least \$2,000 worth of these securities through the date of the Company's next annual meeting.

The Systems are co-filing this proposal with Trillium Asset Management LLC ("Trillium"). Please recognize the Systems as co-filer of this proposal. If you require more information or have any further questions on this matter please contact the parties.

We would welcome the opportunity to discuss the proposal with you. Should the Board of Directors decide to endorse its provision as corporate policy, we will withdraw the proposal from consideration at the annual meeting.

Please feel free to contact me at (212) 669-2517 if you would like to discuss this matter.

Sincerely,

Michael Garland

CC: Dave Kling, Vice President, Deputy General Counsel & Corporate Secretary, Facebook

Enclosures

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 60% of Facebook's voting shares, 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.

The Council of Institutional Investors argues:

Having an independent chair helps the board carry out its primary duty – to monitor the management of the company on behalf of its shareowners. A CEO who also serves as chair can exert excessive influence on the board and its agenda, weakening the board's oversight of management. Separating the chair and CEO positions reduces this conflict, and an independent chair provides the clearest separation of power between the CEO and the rest of the board.

Facebook has resisted recent shareholder requests to separate these roles. In 2017, according to our calculations, a similar proposal received the support of 51% 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.

Google, Microsoft, Apple, Oracle, and Twitter have separate CEO and chairperson roles. More broadly, 59% of the S&P 1500 separated these roles as of April 2018.

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.

Examples from past years include:

- Russian meddling in U.S. elections
- Sharing personal data of 87 million users with Cambridge Analytica
- Data sharing with device manufacturers, including Huawei that is flagged by U.S. Intelligence as a national security threat
- Proliferating fake news
- Propagating violence in Myanmar, India, and South Sudan
- Depression and other mental health issues, including stress and addiction
- Allowing advertisers to exclude black, Hispanic, and other "ethnic affinities" from seeing ads.

In apologies, Mr. Zuckerberg has stated, "We didn't take a broad enough view of our responsibility." This broader view is what an independent Board Chair would provide, which we believe would benefit the company, its shareholders, and its global community of users.



STATE STREET

Derek A. Farrell
Asst. Vice President, Client Services

State Street Bank and Trust Company
Public Funds Services
1200 Crown Colony Drive 5th Floor
Quincy, MA, 02169
Quincy, MA, 02169
Telephone: 347 749-2420

dfarrell@statestreet.com

October 11, 2018

Re: New York City Employee's Retirement System

To whom it may concern,

Please be advised that State Street Bank and Trust Company, under DTC number 997, held in custody continuously, on behalf of the New York City Employee's Retirement System, the below position from September 30, 2017 through today as noted below:

Security: FACEBOOK INC A

Cusip: 30303M102

Shares: 1,309,368

Please don't hesitate to contact me if you have any questions.

Sincerely,

Derek A. Farrell
Assistant Vice President



STATE STREET.

Derek A. Farrell
Asst. Vice President, Client Services

State Street Bank and Trust Company
Public Funds Services
1200 Crown Colony Drive 5th Floor
Quincy, MA, 02169
Quincy, MA, 02169
Telephone: 347 749-2420

dfarrell@statestreet.com

October 11, 2018

Re: New York City Teachers' Retirement System

To whom it may concern,

Please be advised that State Street Bank and Trust Company, under DTC number 997, held in custody continuously, on behalf of the New York City Teachers' Retirement System, the below position from September 30, 2017 through today as noted below:

Security: FACEBOOK INC A

Cusip: 30303M102

Shares: 1,654,098

Please don't hesitate to contact me if you have any questions.

Sincerely,

Derek A. Farrell
Assistant Vice President



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Asst. Vice President, Client Services

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1200 Crown Colony Drive 5th Floor
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October 11, 2018

Re: New York City Fire Pension Fund

To whom it may concern,

Please be advised that State Street Bank and Trust Company, under DTC number 997, held in custody continuously, on behalf of the New York City Fire Pension Fund, the below position from September 30, 2017 through today as noted below:

Security: FACEBOOK INC A

Cusip: 30303M102

Shares: 110,525

Please don't hesitate to contact me if you have any questions.

Sincerely,

Derek A. Farrell
Assistant Vice President



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Asst. Vice President, Client Services

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Telephone: 347 749-2420

dfarrell@statestreet.com

October 11, 2018

Re: New York City Police Pension Fund

To whom it may concern,

Please be advised that State Street Bank and Trust Company, under DTC number 997, held in custody continuously, on behalf of the New York City Police Pension Fund, the below position from September 30, 2017 through today as noted below:

Security: FACEBOOK INC A

Cusip: 30303M102

Shares: 345,900

Please don't hesitate to contact me if you have any questions.

Sincerely,

Derek A. Farrell

Assistant Vice President



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Asst. Vice President, Client Services

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Telephone: 347 749-2420

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October 11, 2018

Re: New York City Board of Education Retirement System

To whom it may concern,

Please be advised that State Street Bank and Trust Company, under DTC number 997, held in custody continuously, on behalf of the New York City Board of Education Retirement System, the below position from September 30, 2017 through today as noted below:

Security: FACEBOOK INC A

Cusip: 30303M102

Shares: 149,193

Please don't hesitate to contact me if you have any questions.

Sincerely,

Derek A. Farrell
Assistant Vice President