

WHEREAS: Incentives align the interests of executives with the overall performance of the company by linking executive compensation to achieving specific metrics. In addition to financial targets, performance-based incentives can also be linked to nonfinancial goals including worker safety, customer satisfaction, and employee engagement – which can also have financial impacts.

Meta’s Proxy Statement says the compensation program for its named executives is designed to "align the interests of our executives with those of our shareholders in the overall success of our company by emphasizing long-term incentives"ⁱ and to support key objectives, including to “encourage our executives to focus on our company priorities;”ⁱⁱ Meta’s website states that “child protection is always a top priority.”

Although shareholder proposals on child safety have been supported by up to 60 percent of the independent vote,ⁱⁱⁱ Meta has not explicitly linked child protection goals with executive compensation. Investors seek clarity on how Meta's executives are incentivized to reduce financial and reputational risk related to child protection.

Regulatory action at state, federal and international levels target online child safety risks and can cost billions in fines and/or lost users. Meta’s response to online child safety has resulted in financial, legal, regulatory, and reputational risk. Meta has been criticized by law enforcement, governments, child safety experts, and child victims and their families for failing to meet the scope and urgency of addressing online child sexual exploitation on Meta’s platforms.^{iv} Over 1800 lawsuits from children, parents, school districts, and 42 state attorneys general^v claim that Meta knew it exacerbated mental health concerns and that minors were continually being contacted by adult strangers.^{vi}

The European Union (EU) warned Meta that its “voluntary code on child protection seems not to work” and to take immediate action.^{vii} It later warned Meta about blocking researchers from studying its children related content. The EU’s Digital Services Act can impose fines of 6 percent of a company’s global revenue for violations.^{viii} Australia banned social media for kids under 16 requiring Meta to remove users; fines for violations can total millions of dollars. Nine countries and 12 states have passed or are considering youth social media restrictions.^{ix} ^x

Studies show that including nonfinancial performance measures in executive compensation programs increases a firm's long-term value.^{xi}

Including performance on child safety in the executive compensation programs of senior Meta executives would have material, positive impacts on the long-term value of the company.

RESOLVED: Shareholders request the Board’s Compensation Committee publish a report (at reasonable expense, within a reasonable time, and omitting confidential or propriety information) assessing the feasibility of integrating performance on improving child safety into Meta’s senior executive compensation program, which it describes in its annual proxy materials.

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- ⁱ <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001326801/817c2e5b-b0be-40f5-8b52-4f5a0db288c5.pdf> p47
- ⁱⁱ <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001326801/817c2e5b-b0be-40f5-8b52-4f5a0db288c5.pdf> p47
- ⁱⁱⁱ 2024, proposal 11 received 59.1% of the non-management controlled vote, 2023 proposal 11 received 53.8% of the non-management controlled vote <https://www.proxyimpact.com/facebook>
- ^{iv} <https://www.naag.org/press-releases/bipartisan-coalition-of-state-attorneys-general-issues-letter-to-ai-industry-leaders-on-child-safety/> <https://www.ft.com/content/8540f9c0-672f-4ef4-b6c4-e5f6c36b3b8b>
<https://www.nytimes.com/live/2024/01/31/technology/child-safety-senate-hearing>
<https://www.cnn.com/2024/05/16/meta-slapped-with-formal-eu-probe-over-child-safety-risks.html>
<https://www.nbcnews.com/tech/security/child-exploitation-watchdog-says-meta-encryption-led-sharp-decrease-ti-rcna205548> <https://techcrunch.com/2025/04/24/parents-who-lost-children-to-online-harms-protest-outside-of-metas-nyc-office/> <https://www.usatoday.com/story/news/health/2024/06/17/surgeon-general-social-media-warning-label-new-york-times/74122557007/>
- ^v <https://www.cnn.com/2023/10/24/bipartisan-group-of-ags-sue-meta-for-addictive-features.html>
- ^{vi} <https://writersweekly.com/this-weeks-article/meta-and-others-sued-by-4400-victims-and-their-families>
- ^{vii} <https://techcrunch.com/2023/06/08/meta-child-protection-dsa-warning/>
- ^{viii} <https://www.courthousenews.com/eu-threatens-meta-tiktok-with-billions-in-fines-over-research-black-box-around-kids-content/>
- ^{ix} <https://www.investopedia.com/states-with-social-media-regulation-for-teens-8757983>
<https://www.nytimes.com/2025/12/11/world/australia/social-media-ban-australia-europe-china-usa.html>
- ^{xi} <https://www.sciencedirect.com/science/article/abs/pii/S0148296320300023>