Big Tech & Human Rights
2023 Shareholder Proposals
Alphabet - Amazon - Meta
PROPOSALS 2023

Alphabet
1. Establish a Risk Oversight Committee
2. Human Rights Impact Assessment on Targeted Advertising
3. Algorithmic Systems Disclosures
4. Racial Equity Audit
5. Data Centers in Human Rights Hot spots

Amazon
1. Transparency Reporting on Removal or Restriction of Content
2. Customer Due Diligence Process & Practices

Meta
1. Human Rights Transparency Reporting
2. Child Safety Online
3. Human Rights Impact Assessment on Targeted Advertising
4. Board oversight of Harmful User-Generated Content
5. Performance Review of Audit and Risk Oversight Committee
Alphabet
Resolved: Shareholders request the Board commission an independent assessment of the role of its Audit and Compliance Committee in ensuring effective Board oversight, above and beyond legal compliance, of material risks to public well-being from company operations.

Arguments in favor of proposal:

- Alphabet Board’s Audit and Compliance Committee is charged with overseeing Alphabet’s major risk exposures, but concerns regarding the impact on public well-being of Alphabet’s data privacy, content management raise doubts about the Committee’s ability to oversee those issues, posing risks to shareholder value.
- Research shows audit committees often don’t have the time, skills, and the support to properly address risk.
- DOJ has sued Alphabet for monopolizing the online digital advertising market and the EU imposed a $4.13 billion fine for anti-competitive conduct.
- Numerous lawsuits allege Google deceived consumers and invaded their privacy by tracking their location data. Google has spent hundreds of millions settling lawsuits alleging privacy violations and security vulnerabilities. An appellate court found a “strong inference” top executives were aware of, but intentionally concealed security vulnerabilities from investors.
- YouTube has been plagued by content management issues, including failing to remove channels disseminating antisemitic and white supremacist content, and spreading dis and misinformation globally.
- Continued failure to appropriately manage risk is detrimental to shareholder value.
Resolved: Shareholders direct the board of directors of Alphabet Inc. to publish an independent third-party Human Rights Impact Assessment (the “Assessment”), examining the actual and potential human rights impacts of Google’s targeted advertising policies and practices throughout its business operations. This Assessment should be conducted at a reasonable cost; omit proprietary and confidential information, as well as information relevant to litigation or enforcement actions; and be published on the company’s website by June 1, 2024.

Arguments in favor of the proposal:

• Materiality of the issue: Google advertising accounted for approximately 80% of Alphabet’s revenue in 2021. Alphabet’s ad business, including Google Search, YouTube Ads and Google Network, has grown significantly in recent years, reaching $209 billion in 2021.

• Human rights impacts: Without the proper safeguards, targeted advertising can have adverse impacts on human rights including privacy rights and exacerbates existing inequities.

• Risks to investors: Failure to establish a robust due diligence system for human rights issues can lead to material regulatory, legal, financial and reputational risks.

• Opportunities: A robust and transparent assessment is essential to enable the company to better identify, address, mitigate and prevent adverse human rights impacts. It will also contribute to establishing an effective system of accountability for human rights for the industry as a whole. It will also assure shareholders that Alphabet’s business model is well positioned in the face of increasing regulation.
Resolved: Shareholders request Alphabet go above and beyond its existing disclosures and provide more quantitative and qualitative information on its algorithmic systems. Exact disclosures are within management’s discretion, but suggestions include, how Alphabet uses algorithmic systems to target and deliver ads, error rates, and the impact these systems had on user speech and experiences. Management also has the discretion to consider using the recommendations and technical standards for algorithm and ad transparency put forward by the Mozilla Foundation and researchers at New York University.

Arguments in favor of proposal:

- Allow investors to evaluate management of regulatory risk (e.g. Filter Bubble Transparency Act, The Social Media Disclosure and Transparency of Advertisements Act, Stop Discrimination by Algorithms Act, State Legislation, EU Regulations)
- Address ongoing controversies
- Credible third party transparency templates exist: Mozilla Foundation and New York University
- Deloitt: “Increasing complexity, lack of transparency around algorithm design, inappropriate use of algorithms, and weak governance are specific reasons why algorithms are subject to such risks as biases, errors, and malicious acts.”

Links to Resources
- New America OTI report Cracking Open the Black Box
- Deloitt report Managing algorithmic risks
- Mozilla and NYU reports
Racial Equity Audit

Nathan Cummings Foundation
Laura Campos (laura.campos@nathancummings.org), Michael Connor (mconnor@openmic.org)

Resolved: Shareholders urge the Board of Directors to commission a third-party, independent racial equity audit analyzing Alphabet Inc.’s impacts on Black, Indigenous and People of Color (BIPOC) communities. Input from racial justice and civil rights organizations and employees, temporary vendors, and contractors should be considered in determining specific matters to be analyzed. A report on the audit, prepared at reasonable cost and omitting confidential and proprietary information, should be published on Alphabet’s website.

Arguments in favor of proposal:

● “Strengthening our commitment to racial equity and inclusion will help Google build more helpful products for our users and the world.” - Sundar Pichai, June 2020

● Google’s goals include increasing diversity at senior levels by 30% and doubling the number of Black+ employees by 2025. Yet Google itself admits that only, “a few of the programs and practices we’ve implemented have shown promising results.”

● Multiple members of Congress have expressed concerns about algorithmic bias and representation at Google and at least five Senators have urged Alphabet to conduct a racial equity audit.

● Roughly 64% of shares not controlled by company officers or directors supported this proposal in 2022.

● In the meantime, Alphabet sparked controversy relating to caste discrimination and faces claims of systemic racial pay discrimination, with a CA state judge tentatively ruling in February 2023 that a former employee’s suit can proceed.

Links to Additional Resources:
- The Rationale for and Key Elements of a Business Civil Rights Audit, Freedom from Facebook and Google, Beyond the Statement
Resolved: Shareholders request the Board of Directors commission a report assessing the siting of Google Cloud Data Centers in countries of significant human rights concern, and the Company’s strategies for mitigating the related impacts. The report, prepared at reasonable cost and omitting confidential and proprietary information, should be published on the Company’s website within six months of the 2023 shareholders meeting.

Arguments in favor of proposal:

- The company is locating an important data center in Saudi Arabia & will build and operate it in partnership with Saudi Aramco.
- As signatories of the GNI and UNGP, the company has obligations to assess human rights impacts of operations, consult with stakeholders, produce mitigation plans where needed and communicate transparently on the process and results.
- 39 leading Human Rights organizations have asked the company to reconsider locating a major Data Centers in Saudi Arabia and at minimum to undertake and publish an independent Human Rights Impact Assessment and mitigation plan.
- Alphabet has said it has conducted such an assessment and implemented identified mitigations however the Company has refused to identify the organization which conducted this HRIA and has refused to provide the assessment or mitigation plan.
- Reputational and operational risks are significant in these locations, undermining trust in data security and privacy along with the risk to civil society in each location.
- Saudi government operatives have been charged or convicted for infiltrating social media staff to spy on users posing a national security risk.

Links to Resources:
- 2022 Vote: 17% / 49% Independent  ISS recommendation:FOR
- https://www.state.gov/reports/2021-country-reports-on-human-rights-practices/saudi-arabia/
Amazon
Resolved: Shareholders request the Board revise its transparency reporting to provide more detailed quantitative disclosures on removal or restriction of content and products on the Amazon.com platform due to government requests or the company’s voluntary removal or restrictions in anticipation or interpretation of domestic or foreign government requirements. Such revision should be made within one year of the annual meeting and may exclude proprietary or legally privileged information.

Arguments in favor of proposal:
- Company transparency lags industry standards, “by far the least transparent U.S.-based platform,” according to Ranking Digital Rights
- Reporting indicates company removed products under pressure by authoritarian governments
  - Removing LGBTQ+ related products in UAE
  - Blocking customer reviews in China
- Investors need disclosures to assess if company behavior upholds human rights commitments

Resources:
- Ranking Digital Rights scorecard on Amazon
- New York Times reporting
- Reuters reporting
Resolved: Shareholders request the Board of Directors commission an independent third party report, at reasonable cost and omitting proprietary information, assessing Amazon’s customer due diligence process to determine whether customers’ products and surveillance, computer vision, and cloud storage capabilities contributes to human rights violations.

Arguments in favor of proposal: Amazon sells products and services that pose risks to human rights, including civil rights. Products posing high risk of adverse impacts in the hands of Amazon customers include the Ring Doorbell and the Neighbors App, facial recognition surveillance technology, and Amazon Web Services platforms. These products increase widespread surveillance and may be used to further racial discrimination in policing and immigration enforcement, infringe on privacy, and violate civil liberties.
- Police used Ring to surveil anti-racist protests in the UK.
- Amazon has purchased thermal cameras from Chinese technology firm Dahua, which was blacklisted by the U.S. Government due to its role in the mass surveillance, internment, torture, and forced labor of the ethnic Uyghur minority.

Failure to have an effective system to monitor customers’ use of products and services for potential human rights violations exposes Amazon to legal, financial, human capital, and regulatory risks, as well as loss of consumer trust. Legislators, customers, investors, and employees have requested increased oversight.

Amazon’s current systems for oversight of customer use of its high-risk products and the steps it has taken to respond to human rights risks, including a temporary moratorium on facial recognition sales, are insufficient and do not effectively address the significant risks.

Increased shareholder support year on year for this proposal indicates customer due diligence is a critical for investors.
- In 2020 40% independent
- In 2021 44% independent
- In 2022 48.77% independent

Resources:
https://www.eff.org/deeplinks/2021/02/lapd-requested-ring-footage-black-lives-matter-protests
https://www.sec.gov/Archives/edgar/data/1018724/000121465921004830/d54211px14a6g.htm
Meta
Assessing Allegations of Biased Operations in Meta’s Largest Market

SumOfUs
Christina O’Connell (christina@sumofus.org)

**Resolved:** Shareholders request the Company commission a nonpartisan assessment of allegations of political entanglement and content management biases in its operations in India, focusing on the manner in which the platform has been utilized to foment ethnic and religious conflict and hatred, and disclose the results in a report to investors.

**Arguments in favor of proposal:**
In 2019, Meta commissioned law firm Foley Hoag for a Human Rights Impact Assessment on its India operations. Meta has continued to refuse to disclose this Assessment or any resulting mitigations in contravention of its own human rights policy commitments.

Facebook’s top policy official in India until August 2022, Ankhi Das, pushed back against employees who wanted to label BJP politician T. Raja Singh “dangerous” and to ban him from the platform after he used Facebook to call Muslims traitors, threaten to raze mosques, and call for Muslim immigrants to be shot.

In February 2020, Muslim-majority neighborhoods of north-east Delhi were stormed by a mob, destroying mosques, shops, homes and cars, and killing 53 people. In months preceding the massacre, the head of a powerful North Indian temple streamed a speech onto Facebook, declaring “I want to eliminate Muslims and Islam from the face of the Earth.” It has been viewed well over 40 million times.

In 2017, Bloomberg published a report which said that in India, Facebook employees had become “de facto campaign workers.” Facebook “helped develop the online presence of Prime Minister Narendra Modi”, it claimed.

**Resources:**
Resolved: Shareholders request that, within one year, the Board of Directors adopts targets and publishes annually a report (prepared at reasonable expense, excluding proprietary information) that includes quantitative metrics appropriate to assessing whether Meta has improved its performance globally regarding child safety impacts and actual harm reduction to children on its platforms.

Arguments in favor of proposal:

- **Reputational Risk:** Meta has received high profile media coverage of its negative impacts on children including child mental health, data privacy violations, age verification failures, cyberbullying, self harm, and child sexual exploitation, grooming and trafficking. These problems exist on all its main social platforms - Facebook, Instagram and WhatsApp - as well as in the metaverse.

- **Regulatory Risk:** Meta has repeatedly been called to testify in Congress regarding child safety issues. The U.S., EU, UK, Australia, and CA, among others, have approved or pending legislation regarding social media and child safety.

- **Legal Risk:** U.S. lawsuits are challenging Section 230 - social media’s ‘immunity’ shield. Meta faces an increasing number of legal actions from a wide variety of sources including States, schools, individuals and foreign governments.

- Meta has child safety policies but does not disclose metrics about its enforcement or effectiveness. Whistleblower Francis Haugen highlighted Meta’s own internal data showing its negative impacts on kids.

- **Alphabet, AT&T and Verizon** all agreed to shareholder requests to perform Child Rights / Safety Risk Assessments.
Resolved: Shareholders direct the board of directors of Meta Platforms, Inc. to publish an independent third-party Human Rights Impact Assessment (HRIA), examining the actual and potential human rights impacts of Facebook’s targeted advertising policies and practices throughout its business operations. This HRIA should be conducted at reasonable cost; omit proprietary and confidential information, as well as information relevant to litigation or enforcement actions; and be published on the company’s website by June 1, 2024.

Arguments in favor of proposal:

- Facebook’s business model relies on a single source of revenue – advertising was nearly 97% of their global revenue in 2021. [1]
- Algorithmic systems are deployed to enable the delivery of targeted advertisements, determining what users see, resulting in and exacerbating systemic discrimination and other human rights violations. [2]
- Legislation in Europe and the United States is poised to severely restrict or even ban targeted ads. [3]
- A robust HRIA will enable the company to better identify, address, mitigate and prevent adverse human rights impacts that expose the company to reputational, legal, business and financial risks.

Resources/References:

Board Oversight of Harmful User-Generated Content
As You Sow on behalf of Thomas Van Dyck
Andrew Behar (abehar@asyousow.org)

Resolved: Shareholders request the Board, at reasonable expense and excluding proprietary or legally privileged information, prepare a report analyzing why the enforcement of “Community Standards” as described in the “Transparency Center” has proven ineffective at controlling the dissemination of user content that contains or promotes hate speech, disinformation, or content that incites violence and/or harm to public health or personal safety

Arguments in favor of proposal:

● Company faces censure and declining reputation because of its inability to control negative content;
● Company continues to invest staff time, capital, and resources in tracking and removal of negative content - yet no discernible change has occurred;
● Board needs to analyze why the Transparency Center effort continues to fail before investing more into this effort that appears to be “whack-a-mole;”
● Board should consider simple solutions that solve the problem
  ○ Removal of accounts that post negative material rather than just remove the posts
  ○ Voluntarily defining itself as a broadcaster and following body of laws already in place for networks.

Resources

See 13 footnotes on resolution
Resolved: Shareholders request the Board of Directors (the “Board”) of Meta Platforms, Inc. (“Meta”) commission an independent review of the role of the Audit and Risk Oversight Committee (the “Committee”) in ensuring effective Board oversight of material risks to public well-being from Meta’s operations. The review should be conducted at reasonable expense with a public summary, omitting confidential or privileged information. A full report of the review should be publicly disclosed on Meta’s website.

Arguments in favor of proposal:

● Research shows audit committees often don’t have the time, skills, and the support to properly address risk
● Harmful revelations continue unabated, suggesting committee may be ineffectual
● Numerous ongoing lawsuits against the company pose serious risks
● Independent assessment is necessary to evaluate Board’s performance
● Meta’s advertising revenue continues to fall
● Changes to Apple’s privacy policy were projected to cost Meta $10 billion in 2022 alone,
● Meta continues to lose teen users to rivals Tik Tok and YouTube
● The Bet on the Metaverse lost the company $9.4 billion in first nine months of 2022 with Mr. Zuckerberg personally warning of greater losses in the future.
● In 2022, Meta lost 66% of its market value with market capitalization dropping from $900 billion to $300 billion
● Continued failure to appropriately manage risk is detrimental to shareholder value