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FACEBOOK, INC.

CORPORATE GOVERNANCE GUIDELINES

(AMENDED AS OF MAY 31, 2018)

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Facebook's Board of Directors has adopted these Corporate Governance Guidelines to reflect the Board's strong commitment to sound corporate governance practices and to encourage effective policy and decision making at both the Board and management level, with a view to enhancing long-term value for Facebook stockholders. These guidelines are intended to assist the Board in the exercise of its governance responsibilities and serve as a flexible framework within which the Board may conduct its business, not as a set of binding legal obligations.

These Corporate Governance Guidelines are not intended to change or interpret any federal or state law or regulation, including the General Corporation Law of the State of Delaware, or the Certificate of Incorporation or Bylaws of Facebook, Inc. These Corporate Governance Guidelines are subject to modification from time to time by the Board.

**I. Responsibilities of the Board of Directors**

The Board acts as the management team's adviser and monitors management's performance. The Board also reviews and, if appropriate, approves significant transactions and develops standards to be utilized by management in determining the types of transactions that should be submitted to the Board for review and approval or notification.

The Board is responsible for selecting and appointing the Chief Executive Officer and Chairman of the Board, as well as the Lead Independent Director of the Board, if any. The Chief Executive Officer shall select and appoint all other officers of Facebook, subject to the Board's approval of such appointments if required under the company's Bylaws.

Each member of the Board (each, a "*director*" and collectively, the "*directors*") is expected to spend the time and effort necessary to properly discharge such director's responsibilities. Accordingly, a director is expected to regularly attend meetings of the Board and Board committees on which such director sits, and review prior to each meeting the material distributed in advance for such meeting. A director who is unable to attend a meeting (which it is understood will occur on occasion) is expected to notify the Chairman or the chairperson of the appropriate committee in advance of such meeting.

**II. Independence of the Board**

Notwithstanding the company's status as a "controlled company," the Board shall be comprised of a majority of directors who, in the business judgment of the Board, qualify as independent directors under the applicable rules, regulations, and listing requirements of the stock exchange upon which the company's securities are listed for trading.



### **III. Size of the Board**

Facebook's Certificate of Incorporation and Bylaws provide that the size of the Board shall be fixed by resolution of the Board. The Board shall periodically review the size of the Board, which may be increased or decreased if determined to be appropriate by the Board.

### **IV. Frequency of Meetings**

There are at least four regularly scheduled meetings of the Board each year. Typically one regularly scheduled meeting of the Board should be held each quarter, plus special meetings as required by the needs of the company.

### **V. Selection of the Chairman of the Board**

The Board does not require the separation of the offices of the Chairman of the Board and the Chief Executive Officer. When the positions of Chairman and Chief Executive Officer are held by the same person, the independent directors shall designate a Lead Independent Director. The Chairman shall schedule, set the agenda for, and chair the meetings of the Board. If the Chairman is not present, the Lead Independent Director shall chair such meetings. In addition, the Lead Independent Director shall preside over executive sessions of independent directors, serve as a liaison between the Chairman and the independent directors, and perform such other functions and responsibilities as requested by the Board from time to time.

### **VI. Selection of Directors**

The Board shall be responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. When formulating its Board membership recommendations, the Board shall consider advice and recommendations from its stockholders, management and others, as it deems appropriate, including the company's founder and controlling stockholder, Mark Zuckerberg. The Compensation & Governance Committee shall participate, as appropriate, in the review of potential candidates for nomination to the Board.

### **VII. Board Membership Criteria**

The Board's policy is to encourage selection of directors who will contribute to Facebook's success and its mission to give people the power to build community and bring the world closer together. Facebook is committed to a policy of inclusiveness and to pursuing diversity in terms of background and perspective. As such, when evaluating candidates for nomination as new directors, the Board shall:

- consider candidates with diverse backgrounds in terms of knowledge, experience, skills, and other characteristics; and
- ensure that the initial list of candidates from which new director nominees are chosen (the "Initial List") by the Board includes (but need not be limited to) candidates with a diversity of race, ethnicity and gender (and any third-party consultant requested to furnish an Initial List will be asked to include such candidates).

In evaluating potential candidates for nomination, the Board shall consider the foregoing in light of the specific needs of the Board at that time and shall also consider advice and recommendations from the Compensation & Governance Committee and Facebook's founder and



controlling stockholder, Mark Zuckerberg. The Board shall periodically review its composition to ensure that it appropriately reflects the knowledge, experience, skills, diversity, and other characteristics required to fulfill its duties.

#### **VIII. Directors Who Change Their Present Job Responsibility**

The Board does not believe that directors who retire or change the position they held when they became a member of the Board should necessarily leave the Board. Promptly following such an event, the director must notify the Board, which, along with the Chairman, shall review the continued appropriateness of the affected director remaining on the Board. The affected director is expected to act in accordance with the Board's recommendation following such review.

#### **IX. Retirement Age**

It is the general policy of the company that no director having attained the age of 70 years (as of the date of Facebook's annual stockholder meeting for such year), shall be nominated for re-election or re-appointment to the Board. However, the Board may determine to waive this policy in individual cases.

#### **X. Director Tenure**

So long as the outstanding shares of Class B common stock represent a majority of the combined voting power of Facebook common stock, Facebook will not have a classified board of directors, and all directors will be elected for annual terms. When the outstanding shares of Class B common stock represent less than a majority of the combined voting power of Facebook's common stock, Facebook will have a classified board of directors consisting of three classes of approximately equal size, each serving staggered three-year terms. There are no limits on the number of terms that may be served by a director. However, in connection with evaluating recommendations for nomination for re-election, the Board shall consider director tenure.

#### **XI. Number and Composition of Board Committees**

The Board currently has the following two standing committees: Audit Committee and Compensation & Governance Committee. The purpose and responsibilities for each of these committees shall be outlined in committee charters adopted by the Board. After consultation with the Compensation & Governance Committee, the Board may, from time to time, form new committees, re-allocate responsibilities of one committee to another committee or disband a current committee. In addition, the Board may form ad hoc committees from time to time, and determine the composition and areas of competence of such committees.

Each of the Audit and Compensation & Governance Committee shall be composed of independent directors to the extent required to satisfy applicable legal, regulatory, and stock exchange requirements. All other standing committees formed by the Board shall be chaired by independent directors, except where the Board, pursuant to the recommendation of the Compensation & Governance Committee, determines otherwise.

#### **XII. Executive Sessions**

In general, the agenda for every regularly scheduled Board meeting shall include a meeting of the "Independent Directors," as defined by listing requirements of the stock exchange upon which the company's securities are listed for trading, in executive session. In any event, the non-management directors shall meet in executive session at least semi-annually to discuss, among



other matters, the performance of the Chief Executive Officer. The non-management directors will meet in executive session at other times at the request of any non-management director. Absent unusual circumstances, these sessions shall be held on the same date as regularly scheduled Board meetings. The director who presides at these meetings shall be the Lead Independent Director or such other non-management director as is selected by a majority of the non-management directors. The same non-management director need not preside at all executive sessions of the non-management directors. The identity of, or process of selecting, the presiding director shall be disclosed in Facebook's annual proxy statement as required by the listing requirements of the stock exchange upon which the company's securities are listed for trading.

### **XIII. Director Compensation**

Non-employee directors receive compensation that consists of a combination of cash and equity. Employee directors are not paid additional compensation for their services as directors. The Compensation & Governance Committee recommends to the Board the form and amount of cash-based and equity-based compensation to be paid or awarded to non-employee directors for service on the Board and its committees based on the Compensation & Governance Committee's consideration of the responsibilities and time commitment of company directors and information regarding the compensation paid at peer companies, including an evaluation by an independent compensation consultant. On an annual basis, (A) the Compensation & Governance Committee will review, and make recommendations to the Board regarding, the level and form of director compensation, and (B) the Board will review and approve director compensation.

### **XIV. Director Equity Ownership**

The company encourages directors to own equity in the company, whether in the form of stock, options, restricted stock units or otherwise. However, the amount and nature of a director's equity ownership is a personal decision, and the Board has not adopted a policy requiring equity ownership by directors.

### **XV. Board Access to Management**

Directors are encouraged to speak directly to any member of management regarding any questions or concerns the directors may have. In addition, the Board encourages members of management to be invited to attend Board meetings where they may share relevant information or insight related to business discussed at the meeting.

### **XVI. Attendance at Annual Meeting of Stockholders**

Directors are invited and encouraged to attend the company's annual stockholder meeting.

### **XVII. Board Communication Policy**

Directors shall not speak with the media or consent to an interview regarding Facebook without receiving prior approval from Facebook's communications team. All inquiries should be referred to [press@fb.com](mailto:press@fb.com).



## **XVIII. Stockholder Communication with the Board**

Stockholders may contact the Board about bona fide issues or questions about Facebook by sending a letter to:

Facebook, Inc.  
1601 Willow Road  
Menlo Park, California 94025  
Attn: Board of Directors

Each communication should specify the applicable addressee or addressees to be contacted, the general topic of the communication and the class and number of shares of Facebook stock that are owned of record (if a record holder) and/or beneficially. If a stockholder wishes to contact the independent members of the Board, he or she should address such communication to the attention of the Lead Independent Director at the address above. Facebook's legal department will initially receive and process communications before forwarding them to the addressee, and generally will not forward a communication that it determines to be primarily commercial in nature, is related to an improper or irrelevant topic, or is a request for general information about the company, its products or services.

## **XIX. Director Orientation and Continuing Education**

Facebook will provide new directors with access to information and meetings with management in order to familiarize directors with the company's business. The Board believes that ongoing education is important for maintaining a current and effective Board. Accordingly, the Board encourages directors to participate in ongoing education, as well as participation in accredited director education programs. Facebook will reimburse directors for expenses incurred in connection with these education programs.

## **XX. Formal Evaluation of Officers**

The formal evaluation of the performance of the Chief Executive Officer should be made in the context of the Chief Executive Officer's annual compensation review by the Compensation & Governance Committee, with appropriate input from other non-employee Board members, and should be communicated to the Chief Executive Officer by the chairperson of the Compensation & Governance Committee. The Compensation & Governance Committee will provide a report to the Board on the evaluation of the Chief Executive Officer's performance and compensation. In consultation with the Chief Executive Officer, the Compensation & Governance Committee will also review the performance of each other executive officer in connection with the determination of the salary and bonus for those officers.

## **XXI. Succession Planning**

The Board is responsible for succession plans for the Chief Executive Officer, and only the Board may appoint a Chief Executive Officer. The Compensation & Governance Committee shall monitor management's succession plans for other key executives.

## **XXII. Authority to Retain Advisers**

The Board and each of its committees have the authority, at the company's expense, to retain and terminate independent advisers as the Board and any such committee deems necessary.



### **XXIII. Evaluation of Board Performance**

The Board and each of its committees shall conduct an annual self-assessment of each individual director's performance, the Board's performance, and the performance of each committee of the Board. The Compensation & Governance Committee will oversee the self-assessment process, and the results of the self-assessment process will be reported to the Board.

### **XXIV. Review, Amendment and Waiver of Guidelines**

The Compensation & Governance Committee will annually review these Corporate Governance Guidelines and propose any changes it deems appropriate to the Board for consideration. The Board may amend these Corporate Governance Guidelines, or grant waivers in exceptional circumstances, provided that any such modification or waiver may not be a violation of any applicable law, rule or regulation, and, provided further, that any such modification or waiver is appropriately disclosed.