



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

March 17, 2022

Michael Kaplan
Davis Polk & Wardwell LLP

Re: Meta Platforms, Inc. (the "Company")
Incoming letter dated March 16, 2022

Dear Mr. Kaplan:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by James McRitchie (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its January 18, 2022 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <https://www.sec.gov/corpfin/2021-2022-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: James McRitchie

January 18, 2022

Re: Shareholder Proposal of James McRitchie Pursuant to Rule 14a-8 of the Securities Exchange Act of 1934

U.S. Securities and Exchange Commission
Office of Chief Counsel
Division of Corporation Finance
100 F. Street, N.E.
Washington, D.C. 20549
Via email: shareholderproposals@sec.gov

Dear Sir or Madam:

On behalf of Meta Platforms, Inc., a Delaware corporation (the “**Company**” or “**Meta**”), and in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended, we are filing this letter with respect to the shareholder proposal initially submitted by James McRitchie (the “**Proponent**”) on December 7, 2021, and as revised on December 8, 2021 (the “**Proposal**”) for inclusion in the proxy materials that the Company intends to distribute in connection with its 2022 Annual Meeting of Shareholders (the “**2022 Proxy Materials**”). We hereby request confirmation that the staff of the Office of Chief Counsel (the “**Staff**”) will not recommend any enforcement action if, in reliance on Rule 14a-8, the Company omits the Proposal from its 2022 Proxy Materials.

Pursuant to Rule 14a-8(j), this letter is being filed with the Securities and Exchange Commission (the “**Commission**”) no later than 80 days before the Company files its definitive 2022 Proxy Materials. Pursuant to Staff Legal Bulletin No. 14D (CF), *Shareholder Proposals* (Nov. 7, 2008), question C, we have submitted this letter to the Commission via email to shareholderproposals@sec.gov.

Pursuant to Rule 14a-8(j), a copy of this submission is being sent simultaneously to the Proponent as notification of the Company’s intention to omit the Proposal from its 2022 Proxy Materials. This letter constitutes the Company’s statement of the reasons that it deems the omission of the Proposal to be proper. We have been advised by the Company as to the factual matters set forth herein.

A copy of the Proposal is attached to this letter as Exhibit A.

The Proposal sets forth the following resolution:

Address Wealth Inequality Through an Ownership Culture

Resolved: Meta Platforms Inc ("Company") shareholders request the Board's Compensation, Nominating and Governance Committee ("Committee") issue a report annually assessing the distribution of stock ownership incentives throughout the workforce (such as but not limited to performance share units, employee stock purchase plans, restricted stock units, and options). The report should include a matrix, sorted by EEO-1 employee classification or another appropriate classification scheme with four or more categories chosen by the Committee, showing aggregate amounts of stock ownership granted and utilized by all U.S Company employees and including associated voting power, if any. The report should be prepared prior to or concurrent with issuance of the next annual proxy statement.

Statement of Reasons to Exclude

I. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because The Proposal Involves Matters Related To The Company's Ordinary Business Operations.

The Proposal may be properly omitted from the 2022 Proxy Materials pursuant to Rule 14a-8(i)(7), because the Proposal deals with matters related to the Company's ordinary business operations.

A. Background.

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." The purpose of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting." See Release No. 34-40018 (May 21, 1998) (the "**1998 Release**"). As explained by the Commission, the term "ordinary business" in this context refers to "matters that are not necessarily 'ordinary' in the common meaning of the word, and is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company's business and operations." *Id.*

The ordinary business exclusion is based on two central considerations. First, the Commission notes that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis" that they are not proper subjects for shareholder proposals." The Commission added, "[e]xamples include the management of the workforce, such as the hiring, promotion, and termination of employees, decisions on production quality and quantity, and the retention of suppliers." While "proposals . . . focusing on sufficiently significant social policy issues (e.g., significant discrimination matters) generally would not be considered excludable," the Staff has indicated that proposals relating to both ordinary business matters and significant social policy issues may be excludable in their entirety in reliance on Rule 14a-8(i)(7) if they do not "transcend the day-to-day business matters" discussed in the proposals. *Id.* The second consideration "relates to the degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." *Id.*

A shareholder proposal being framed in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the report is within the ordinary business of the issuer. See Exchange Act Release No. 20091 (Aug. 16, 1983). In addition, the Staff has indicated that "[where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business. . . it may be excluded under [R]ule 14a-8(i)(7)." *Johnson Controls, Inc.* (Oct. 26, 1999).

B. The Proposal May Be Excluded Because Its Subject Matter Relates To General Employee Compensation.

The Proposal may be excluded pursuant to Rule 14a-8(i)(7) because it relates to the Company's ordinary business operations involving the Company's general employee compensation policies and practices, a core component of the Company's operations as the employer of a global workforce. In analyzing shareholder proposals relating to compensation, the Staff has long distinguished between proposals that relate to general employee compensation and proposals that focus on executive officer and director compensation. See Staff Legal Bulletin No. 14A (July 12, 2002) (illustrating that under the Staff's "bright-line analysis" for compensation proposals, companies "may exclude proposals that relate to general employee compensation matters in reliance on rule 14a-8(i)(7)" but "may [not] exclude proposals that concern only senior executive and director compensation"); *Xerox Corp.* (Mar. 25, 1993). Relatedly, the Staff has consistently concurred with the exclusion of shareholder proposals seeking to address the administration of compensation policies and practices under Rule 14a-8(i)(7) as applied to both executive compensation and non-executive (*i.e.*, general employee) compensation. For example, in *Yum! Brands, Inc.* (Feb. 24, 2015), the Staff permitted a proposal to be excluded that requested that the compensation committee of the company's board of directors prepare a report on the company's executive compensation policies and suggested that the report include a comparison of senior executive compensation and "our store employees' median wage," noting "that the proposal relates to compensation that may be paid to employees and is not limited to compensation that may be paid to senior executive officers and directors." See also *Microsoft Corp.* (Sept. 17, 2013) (a proposal that sought to limit the average total compensation of senior management, executives, and other employees for whom the board set compensation to 100 times the average compensation paid to the remaining full-time, non-contract employees of the company); *ENGlobal Corp.* (Mar. 28, 2012) (a proposal that sought to amend the company's equity incentive plan"); *International Business Machines Corp. (Boulain)* (Jan. 22, 2009) (a proposal requesting that no employee above a certain management level receive a salary raise in any year in which at least two thirds of all company employees did not receive a three percent salary raise); *Ford Motor Co.* (Jan. 9, 2008) (a proposal requesting that the company stop awarding all stock options where the proposal did not limit the applicability of this ban on stock option awards to senior executive officers and directors, but instead applied the ban generally to all company employees.); *Amazon.com, Inc.* (Mar. 7, 2005) (a proposal requesting that the board adopt a new policy on equity compensation and cancel an equity compensation plan potentially affecting all employees); *Plexus Corp.* (Nov. 4, 2004) (a proposal requesting that the company stop granting stock options).

The Proposal cannot be read to be limited in scope to the compensation of senior executives and directors since it asks for a report to assess the distribution of stock ownership incentives "throughout the workforce." Further, the Proposal requests that the report classify the employees, sorted by EEO-1 classification standards or something similar, reflecting the amount of stock awards "granted and utilized" by U.S. Company employees.

The Company is responsible for the compensation of tens of thousands of employees globally. Compensation in any form, whether equity or another type, for this wide-ranging workforce varies according to numerous factors, including among others job responsibilities, skills, competition for similar talent, location and experience, all of which are considerations that form part of management's day-to-day ordinary business operations. As the supporting statement indicates, the focus of the Proposal is on "widespread employee ownership" of Company stock and an "engaged employee ownership culture." The Proposal urges the Company to expand its "perspective beyond executive compensation."

Moreover, the Staff has consistently concurred with the exclusion of shareholder proposals under Rule 14a-8(i)(7) relating to wage concerns. See, *e.g.*, *The Home Depot, Inc.* (Mar. 1, 2017) (a proposal

requesting adoption and publication of principles for minimum wage reform); *The TJX Companies, Inc. (Trillium Asset Mgmt., LLC)* (Mar. 8, 2016) (a proposal requesting that the company adopt minimum wage reform principles); *Apple, Inc. (Zhao)* (Nov. 16, 2015) (a proposal requesting that the company's compensation committee "adopt new compensation principles responsive to America's general economy, such as unemployment, working hour[s] and wage inequality"); *McDonald's Corp.* (Mar. 18, 2015) (a proposal that urged the board to encourage the company's franchises to pay employees a minimum wage of \$11 per hour); *Microsoft Corp.* (Sept. 13, 2013) (a proposal asking the board to limit the average individual total compensation for senior management, executives, and "all other employees the board is charged with determining compensation for" to one hundred times the average individual total compensation paid to the remaining full-time, non-contract employees of the company); *Wal-Mart Stores, Inc.* (Mar. 15, 1999) (a proposal requesting a report that was to include, among other things, a description of "[p]olicies to implement wage adjustments to ensure adequate purchasing power and a sustainable living wage"). Similarly, the supporting statement references employee wages, both specifically for the Company and on a broader macro level, with the notion that additional stock granted to employees would be a form of wage increase.

C. The Proposal May Be Excluded Because Its Subject Matter Relates To Management Of The Company's Workforce.

Proposals may be excluded under Rule 14a-8(i)(7) when they relate to the Company's management of its workforce as noted in *United Technologies Corp.* (Feb. 19, 1993): "employee health benefits, *general compensation issues not focused on senior executives, management of the workplace*, employee supervision, labor-management relations, employee hiring and firing, conditions of the employment and employee training and motivation" (*emphasis added*). The Proposal's requested report assessing the distribution of stock ownership incentives throughout the workforce, including the tracking and disclosure of such information and associated voting power for all U.S. employees, implicates the Company's general workforce management through its focus on the Company's employee compensation policies generally.

Consistent with the foregoing, the Staff has recognized that proposals pertain to the management of a company's workforce and are excludable under Rule 14a-8(i)(7). See *Walmart, Inc.* (Apr. 8, 2019) (a proposal that requested the board evaluate the risk of discrimination that may result from [the company's] policies and practices of hourly workers taking absences from work for personal or family illness"); *PG&E Corp.* (Mar. 7, 2016) (a proposal requesting that the board institute a policy banning discrimination based on race, religion, donations, gender, or sexual orientation in hiring vendor contracts or customer relations); *Starwood Hotels & Resorts Worldwide, Inc.* (Feb. 14, 2012) (a proposal requesting verification and documentation of U.S. citizenship for the company's U.S. workforce and requiring training for foreign workers in the U.S. to be minimized could be excluded because it "relates to procedures for hiring and training employees"); *Northrop Grumman Corp.* (Mar. 18, 2010) (concurring with the exclusion of a proposal requesting that the board identify and modify procedures to improve the visibility of educational status in the company's reduction-in-force review process); *Intel Corp.* (Mar. 18, 1999) (a proposal seeking adoption of an "Employee Bill of Rights," which would have established various "protections" for the company's employees, including limited work-hour requirements, relaxed starting times, and a requirement that employees treat one another with dignity and respect).

Decisions around employee compensation are one element of how the Company manages its workforce, as the compensation policies related to the amount, type and form of employee compensation are complex and based on a range of factors that are unfitting for shareholder oversight.

D. The Proposal Does Not Focus On Any Significant Policy Issue That Transcends The Company's Ordinary Business Operations.

The 1998 Release distinguishes proposals pertaining to ordinary business matters from those involving "significant social policy issues." *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)). While "proposals . . . focusing on sufficiently significant social policy issues (e.g., significant discrimination matters) generally would not be considered to be excludable," the Staff has indicated that proposals relating to both ordinary business matters and significant social policy issues may be excludable in their entirety in reliance on Rule 14a-8(i)(7) if they do not "transcend the day-to-day business matters" discussed in the proposals. 1998 Release. Moreover, consistent with well-established Staff precedent, mere references to topics in passing that might raise significant policy issues, but which do not define the scope of actions addressed in a proposal and which have only peripheral implications for the issues that constitute the central focus of a proposal, do not transform an otherwise ordinary business proposal into one that transcends ordinary business.

The Proposal's principal focus is on the form and type of general employee compensation and the Company's management of its workforce. While the supporting statement makes a passing reference to wealth inequality as a social policy issue that does not alter the Proposal's central focus on ordinary business issues. The resolution is entirely focused on granting equity awards to a broad group of employees, which is not inextricably linked to wealth inequality.

Accordingly, because the Proposal's request is directly related to the Company's ordinary business operations and does not transcend those ordinary business operations, similar to the proposals in the precedents discussed above, the Proposal may be excluded under Rule 14a-8(i)(7).

* * *

The Company respectfully requests the Staff's concurrence with its decision to omit the Proposal from the 2022 Proxy Materials and further requests confirmation that the Staff will not recommend any enforcement action if it so omits the Proposal. Please call the undersigned at (212) 450-4111 if you should have any questions or need additional information or as soon as a Staff response is available.

Respectfully yours,



Michael Kaplan

Attachment: Exhibit A

cc: John Chevedden
James McRitchie
Katherine R. Kelly, Vice President, Deputy General Counsel and Secretary,
Meta Platforms, Inc.

Proposal

Proposal 4* - Address Wealth Inequality Through an Ownership Culture

Resolved: Meta Platforms Inc ("Company") shareholders request the Board's Compensation, Nominating and Governance Committee ("Committee") issue a report annually assessing the distribution of stock ownership incentives throughout the workforce (such as but not limited to performance share units, employee stock purchase plans, restricted stock units, and options). The report should include a matrix, sorted by EEO-1 employee classification or another appropriate classification scheme with four or more categories chosen by the Committee, showing aggregate amounts of stock ownership granted and utilized by all U.S. Company employees and including associated voting power, if any. The report should be prepared prior to or concurrent with issuance of the next annual proxy statement.

Supporting Statement:

Wealth inequality in the United States has increased dramatically¹ is widely recognized as a *significant social policy issue*,² and brings many problems, such as political polarization.³ Employee ownership is key to addressing this social policy in a bipartisan manner.⁴

Providing stock ownership incentives to boards and executives but not to all U.S. company employees has led to glaring inequality. Our Company's "pay ratio" is "small," 96 to 1, because Mr. Zuckerberg's "pay," at his choosing, consisted almost entirely of costs related to personal security. A similar ratio comparing stock ownership by named executives with those of typical U.S. employees would be much higher at our Company and nationally at other companies.

From 1973 to 2018, inflation-adjusted wages for nonsupervisory American workers were flat. Meanwhile, a dollar's worth of stock grew (in real terms) to \$14.09. Hourly wages stagnated. Income from capital ownership accelerated. The top 10% of American households earned 97% of capital gains. Typical white families own nearly 10x the average Black family. Single women own only 36% of what typical men own. That gap is greater for women of color.⁵ Strengthening employee ownership would help address these inequities.⁶

Our Company recognizes stock ownership as an incentive for directors and named executives, reporting annually on utilization. We ask our Company to track and disclose similar information and associate voting power for all U.S. employees using meaningful classifications.

Widespread employee ownership is correlated with better firm performance, fewer layoffs, better employee compensation and benefits, higher median household wealth, longer median job tenure, and reduced racial

¹ <https://inequality.org/facts/wealth-inequality/>

² <https://www.pewresearch.org/fact-tank/2020/02/07/6-facts-about-economic-inequality-in-the-u-s/>

³ https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2649215

⁴ <https://thehill.com/blogs/congress-blog/politics/512413-employee-ownership-the-wealth-gap-and-the-current-crisis>

⁵ <https://ownershipamerica.org/the-problem/>

⁶ https://smlr.rutgers.edu/sites/default/files/Documents/Centers/Institute_Employee_Ownership/rutgerskelloggreport_april2019.pdf

and gender wealth gaps.⁷ Our Company should educate and promote ownership plans and progress towards an engaged employee ownership culture.⁸

Employee engagement and trust are crucial to success. Expanding the Committee's perspective beyond executive compensation would give them "a better grasp on how human talent matters for the company's business strategy and operations."⁹ Our Company could benefit shareholders and the economy by leading on this issue.

Increase Long-Term Shareholder Value
Vote to **Create an Ownership Culture** – Proposal [4*]

⁷ <https://secureservercdn.net/192.169.220.85/111.986.myftpupload.com/wp-content/uploads/2021/10/WhitePaper-TurningEmployeesIntoOwners.pdf> and <https://www.nceo.org/article/research-employee-ownership>

⁸ <https://smlr.rutgers.edu/faculty-research-engagement/institute-study-employee-ownership-and-profit-sharing>

⁹ <https://www.edelman.com/trust/2021-trust-barometer/belief-driven-employee/new-employee-employer-compact>

Corporate Governance

CorpGov.net: improving accountability through democratic corporate governance since 1995

VIA EMAIL: shareholderproposals@sec.gov

Office of Chief Counsel

Division of Corporation Finance

US Securities and Exchange Commission

100 F Street, NE

Washington, DC 20549

cc: sanfordlewis@strategiccounsel.net, krkelly@fb.com, ning.chiu@davispolk.com,

michael.kaplan@davispolk.com

Feb. 15, 2022

Re: Shareholder Proposal to Meta Platforms, Inc. of James McRitchie Regarding Wealth Inequality and Stock Ownership

Ladies and Gentlemen:

I am the beneficial owner of common stock of Meta Platforms, Inc., (the "Company") and submitted a shareholder proposal (the "Proposal") to the Company. I am responding to the letter dated Jan. 18, 2022, (the "Company Letter") sent to the Securities and Exchange Commission (the "Commission") by Michael Kaplan. In that letter, the Company contends my Proposal may be excluded from the Company's 2022 proxy statement. A copy of this letter is being emailed concurrently to Mr. Kaplan. Any response to this letter should copy my legal counsel on this matter, Sanford Lewis.

The Proposal requests the Company create and file an annual report disclosing and assessing the distribution of stock ownership incentives throughout the workforce. The Proposal requests the data be included in a matrix and be sorted by EEO-1 employee classification or another appropriate classification scheme. The Company Letter asserts the Proposal relates to general employee compensation policies and practices or management of the workforce, which are solely matters of ordinary business, and that the Proposal does not address an issue that transcends ordinary business.

However, I believe the Proposal provides shareholders with the opportunity to vote on whether the Company should adopt a new and appropriate corporate governance model for disclosure that would ensure investors receive appropriate information on the significant social policy issue of wealth inequality. This would shed light on the skewed distribution of employee stock ownership toward upper management and board members compared to the general workforce. The Company Letter conflates the purpose of the Proposal with the Company's own interpretation as one focused on granting equity awards to a broad group of employees. On the contrary, it simply asks the Company to *report* on the current distribution of such awards, if any, including voting power.

As the proponent, I view this as an essential corporate governance reform. Investors have good reason to want to be informed on how our company distributes shareholder-approved stock among employees.

Investors need this information to inform voting decisions

This is clearly an issue of disclosures that are important to investors. Shareholders are already required under NASDAQ and NYSE filing requirements approved by the Securities and Exchange Commission in 2003 to vote on the approval of equity compensation plans before they can be awarded. It would be incongruous and inappropriate to bar shareholders from requesting a report that would provide, in clear tabular form, the data needed for investors to begin to assess the subsequent impact of their votes on those compensation plans.¹

Although I agree with the Company that the Proposal is not intended to be limited in its scope of disclosure to senior executives and directors, the Company exaggerates the idea that there is a bright-line rule against proposals addressing compensation of rank-and-file employees. Mine is not a general proposal on wages, such as supporting minimum wages or public policies associated with employee wages and working hours. Instead, it is appropriately framed and consistent with proposals seeking disclosure of matters central to the significant social policy issue of wealth inequality.

In fact, Staff Legal Bulletin 14A that discussed the idea of a bright-line rule was issued in 2002, prior to the SEC's approval of the NASDAQ and NYSE requirements for shareholder approval of equity compensation plans. As such, this so-called bright-line rule has never been brought into alignment with the approved NASDAQ and NYSE rules, which necessitate *informed* shareholder voting on equity compensation plans. The current proposal provides the Staff with an opportunity to do so by allowing shareholders to decide if they want this important additional information that would inform their votes.

Staff rulings do not consistently bar proposals on disclosure relative to employee compensation

Contrary to the Company's assertions, the Proposal's request for *disclosure* of distribution of stock ownership incentives throughout the workforce does not equate to excludable ordinary business under Rule 14a-8(i)(7).² For example, a proposal that requested disclosure of the distribution of 2003 stock options by the recipient's race and gender, which discussed recent trends in stock options granted to women and employees of color, was found not excludable under Rule 14a-8(i)(7). *Verizon Communications, Inc.* (Jan. 26, 2004).

The Company cites *Yum! Brands* (Feb. 24, 2015) where the disclosure report sought a comparison of executive compensation with store employees' median wage and the Staff allowed exclusion under Rule 14a-8(i)(7). However, subsequent Staff decisions significantly blurred the "bright line" to clarify that consideration of underlying significant policy issues can

¹ *Frequently Asked Questions on Equity Compensation Plans*, NYSE (last revised Dec. 1, 2021), <https://www.nyse.com/publicdocs/nyse/regulation/nyse/equitycompfaqs.pdf>; NASDAQ Listing Rule 5635(c), https://listingcenter.nasdaq.com/rulebook/nasdaq/rules/nasdaq-5600-series#nasdaq-rule_5635.

² Precedents cited by the Company, such as *Yum! Brands, Inc.* (Feb. 24, 2015), which seeks a comparison of senior executive compensation and "our store employees' median wage" being excludable as relating to ordinary business, are contradicted by numerous proposals allowing integration of rank-and-file employee-related compensation disclosures or considerations.

cause such a proposal to transcend ordinary business. Subsequent disclosure-related requests applying to the whole workforce have been found not excludable under Rule 14a-8(i)(7), where the focus was on pay differentials between upper- and lower-level employees. For instance, in *Wells Fargo* (Feb. 21, 2019), the proposal requested disclosure of the global median gender pay gap—including associated policy, reputational competitive and operational risks, and risks related to recruiting and retaining female talent—and was found not excludable under Rule 14a-8(i)(7). That proposal also included disclosure of equity compensation through an inclusive definition: "A report adequate for investors to assess company strategy and performance would include the percentage *global median* pay gap between male and female employees across race and ethnicity, including base, bonus, and equity compensation" (emphasis added).

Additionally, subsequent rulings also found non-excludable proposals directed toward CEO or senior executive compensation have included provisions that either imply decision-making or disclosure based on nonmanagement employee compensation levels or disclosure that would reveal the contrast between senior executive compensation and other employees. For instance, in *BB & T Corporation* (Jan. 17, 2017), an ordinary business exclusion was rejected for a proposal asking the company to "take into consideration the pay grades and/or salary ranges of all classifications of company employees when setting target amounts for CEO compensation." Similarly, in *Siebel Systems, Inc.* (Apr. 15, 2003), a proposal designating the intended use of equity and management compensation programs, including certain principles, was not excludable under ordinary business despite the focus principles for *management* compensation, which required discussion of "the proportion of the equity of the company intended to be available for transfer to employees through stock plans, as measured by possible percentage dilution; and the distribution of that wealth opportunity intended within the company, between the CEO, Senior Executives, and other employees."³

Moreover, I note that many other general workforce-related proposals have been deemed permissible under Rule 14a-8(i)(7) as addressing significant policy issues, such as workforce diversity and racial equity, as well as general standards for the workforce. For example, the Staff made clear in several precedents that proposals asking a company to adopt and enforce a workplace code of conduct based on the International Labor Organization's (ILO) Convention on Workplace Human Rights are not excludable under the ordinary business rule. See, e.g., *E. I. Du Pont de Nemours* (Mar. 11, 2002). The ILO Convention includes a series of principles applicable to workforce management, such as no use of child labor, no discrimination or intimidation in employment, workers' right to form and join unions, workers representatives not subject to discrimination, access to workplaces to carry out representation, and no use of forced labor.

Disclosures on wealth inequality are a significant policy issue

In its 1998 Release, the Commission noted certain tasks are generally considered so fundamental to management's ability to run a company on a day-to-day basis that they could not be subject to direct shareholder oversight (e.g., the hiring, promotion, and termination of employees, as well as decisions on retention of suppliers, and production quality and quantity).

³ The proposal requested a statement about the proportion of the equity of the company intended to be available for transfer to employees through stock plans, as measured by possible percentage dilution; and the distribution of that wealth opportunity intended within the company, between the CEO, Senior Executives, and other employees.

However, proposals related to such matters, but *focused on sufficiently significant social policy issues* (i.e., significant discrimination matters), are generally not excludable.

In this instance, the significant policy issue is wealth inequality and its relationship to the distribution of employee stock ownership. While the Company Letter attempts to dismiss this focus, it is evident that the Proposal is concentrated on this issue, including that the Proposal is titled "Address Wealth Inequality Through an Ownership Culture." Stock compensation packages are a powerful means of creating or reducing wealth inequality. The central purpose behind the Proposal is to inform shareholders about the role the Company is playing in reducing or exacerbating income inequality in its stock-based compensation packages.

Further, the Proposal references EEO categories, an appropriate framework for the reporting system. The EEO categories are the most commonly employed definitions articulating employee categories (e.g., "Executive/Senior level officials and managers" as one category). They also have the most used racial and ethnic categories.⁴

The Company Letter generally cites precedents where rejected proposals attempted to otherwise limit, amend, request, or place a moratorium on employee compensation. Here, the Proposal does no such thing. It merely requests the Company compile a report showing the distribution of stock-based compensation packages among employees. Contrary to the Company's citations and arguments, the Proposal does not ask the Company to implement any sort of reform to its current compensation packages. Instead, the Proposal merely requests that the Company publishes a report detailing which employees receive stock compensation packages or similar compensation.

Though as a proponent, I believe I would be entitled to do so, in this instance, the Proposal does not request that the Company implement any actual changes to its current compensation practices. The current Proposal is not directive. It does not attempt to alter the outcome of stock ownership arrangements. But at least one Staff decision demonstrates that, under certain circumstances, even such a proposal can transcend ordinary business.⁵ The current Proposal

⁴ In 1966, the Equal Employment Opportunity Commission (EEOC) began requiring companies with 100 or more employees to submit an EEO-1 report, classifying each of their employees as one of nine job categories. Classification is generally based on three criteria: responsibilities and primary duties, knowledge and training and level of skill the job requires.

⁵ In *International Business Machines* (Feb. 16, 2000), the proposal asked the board to adopt a policy that: (1) all employees, regardless of age, will receive the same retirement medical insurance and pension choice as employees who are within five years of retirement; and (2) the portable cash-balance plan will provide a monthly annuity equal to that expected under the old pension plan or a lump sum that is actuarially equivalent. In that instance, there was significant controversy associated with the company's newly announced pension and retirement plans for IBM employees, including Wall Street Journal coverage reporting that some employees would face losses as high as 50% under the new policy. IBM had also acknowledged to some employees that its new individual medical insurance accounts would probably run out of money as they approach old age. The new plan's limited medical insurance is especially a problem for lower-paid workers.

Feeding the outrage was IBM's declaration that it planned to use the \$200 million saved to fund stock options for executives and other targeted employees. Many of IBM's most talented employees did not feel comfortable with their deserved bonus being tied to the reduction of promised retirement pay and medical insurance for fellow employees. The Staff noted "widespread public debate concerning the conversion from traditional defined benefit pension plans to cash-balance plans and the increasing

contrasts with proposals that request a specific outcome in stock options, such as canceling equity compensation that affects all employees. *Amazon.com, Inc.* (Mar. 7, 2005). The current Proposal does not require any particular outcome other than appropriate disclosures for investors.

There can be no doubt that wealth inequality, especially in the US, is a significant policy issue. Moreover, the United Nations has recognized wealth inequality as a significant social policy issue that creates many tangible problems, particularly in the United States:

"Income inequality has been compounded by wealth inequality, particularly in countries with already high inequality levels such as the United States of America . . . It is clear that inequality can be a serious threat to social and political stability."

As a result of recognizing such concerns, reducing inequality is one of 17 Sustainable Development Goals⁶ established by the United Nations in 2015. This is a distinct problem facing any corporation headquartered in the United States since income inequality in the US is the highest of *all* the G7 nations.⁷ The wealth gap between "America's richest and poorest families have *more than doubled* from 1989 to 2016" (emphasis added).⁸ This gap has grown even more significant during the pandemic.⁹

The business case for addressing this issue is clear. Widespread employee stock ownership is correlated with better employee and firm performance, fewer layoffs, better employee compensation and benefits, higher median household income, longer median job tenure, and reduced racial and gender wealth gaps. All these positive outcomes would have the effect of reducing wealth inequality in the US.

I have gathered data regarding wealth distribution on a national level. For instance, according to the Congressional Budget Office, 10% of families currently hold 76% of the total wealth in this country.¹⁰ But little data is available on a corporate level, where many of the critical policy

recognition that this issue raises significant social and corporate policy issues, it is our view that proposals relating to the conversion from traditional defined benefit pension plans to cash-balance plans cannot be considered matters relating to a registrant's ordinary business operations."

⁶ See *United Nations Sustainable Development Goals*, <https://upload.wikimedia.org/wikipedia/commons/d/d5/N1529189.pdf>

⁷ *Organization for Economic Co-operation and Development*, <https://www.oecd.org/social/income-distribution-database.htm>

⁸ Katherine Schaeffer, *6 Facts About Economic Inequality in the U.S.*, Pew Research Center (Feb. 7, 2020), <https://www.pewresearch.org/fact-tank/2020/02/07/6-facts-about-economic-inequality-in-the-u-s/>

⁹ See Peter Coy, *Wealth Inequality Is the Highest Since World War II*, N.Y. Times (Feb. 2, 2022), <https://www.nytimes.com/2022/02/02/opinion/inequality-wealth-pandemic.html>

¹⁰ See *Turning Employees Into Owners: Rebuilding the American Dream*, Ownership America (Oct. 2021), <https://secureservercdn.net/192.169.220.85/111.986.myftpupload.com/wp-content/uploads/2021/10/WhitePaper-TurningEmployeesIntoOwners.pdf>. Among data compiled by the Bureau of Labor Statistics—surveying workers aged 28–34 that were born between Jan. 1, 1980, and Dec. 31, 1984—employee-owners have, relative to workers who are not employee-owners:

- 92% higher median household wealth
- 33% higher income from wages
- 52% longer median job tenure

decisions are made, and the distribution of stock ownership is clearly a key element. For example, Rutgers' analysis of the General Social Survey estimated that, in 2018, nearly 23 million employees—representing more than 19% of all US workers—owned some share in their employer. However, the bottom 37% of workers had less access to company stock programs.

Below are a few key findings:

- Employee-owners of color have a 30% higher wage income than non-employee owners of color.
- Women employee-owners have a 17% higher wage income than women who are not employee-owners.
- Employee ownership was generally linked to higher income, benefits, gain/profit sharing, training, and involvement in company decision-making.
- Of the low- and moderate-income worker-owners surveyed, those aged 60 to 64 had 10 times more wealth than typical Americans in that age group.¹¹

The trickle-down notion for justifying wealth inequality is accompanied by the assumption that rewarding top corporate employees with abundant cash and stock benefits will ultimately boost the economy and raise all ships. Actual data supports an opposite finding. Economic growth is also hindered as the wealth gap grows.¹² On the other hand, increasing employee ownership—including stock ownership—could significantly improve the distribution of wealth in society.¹³

Moreover, the issue of wealth inequality in the US is tied to another critically important social policy issue: racial inequality. This is demonstrated by a recent editorial board opinion piece in the Washington Post, titled "Narrowing the US Wealth gap is important. Narrowing the racial

-
- Almost twice the household net worth

Employee Ownership & Economic Well-Being, Nat. Center for Employee Ownership (May 14, 2017), https://www.ownershipeconomy.org/wp-content/uploads/2017/05/employee_ownership_and_economic_wellbeing_2017.pdf

¹¹ See *Race and Gender Wealth Equity and the Role of Employee Share Ownership*, <https://www.aspeninstitute.org/publications/race-and-gender-wealth-equity-and-the-role-of-employee-share-ownership/>

¹² According to data from the International Monetary Fund:

"An inverse relationship between the income share accruing to the rich (top 20 percent) and economic growth. If the income share of the top 20 percent increases by 1 percentage point, GDP growth is actually 0.08 percentage point lower in the following five years, suggesting that the benefits do not trickle down. Instead, a similar increase in the income share of the bottom 20 percent (the poor) is associated with 0.38 percentage point higher growth."

Causes and Consequences of Income Inequality: A Global Perspective, IMF (June 2015), <https://www.imf.org/external/pubs/ft/sdn/2015/sdn1513.pdf>

¹³ One study, using data from the Survey of Consumer Finances, found that if businesses were to become 30% employee-owned, it would produce a significant change in the concentration of wealth. Specifically, the wealth share of those with below-median wealth would increase from 1% to 6% of total wealth, and the net wealth of the average black family would increase by more than 400%, from \$24,100 to \$106,271. Additionally, those with only high school diplomas would see similar wealth increases. In 2016, the median white family had \$147,000 in wealth, compared with \$3,600 for Black families and \$6,600 for Latinx families. White women had a median wealth of \$66,930, while that of Black and Latinx women was just \$6,000 and \$6,700, respectively. Thomas Dudley & Ethan Rouen, *Employee Ownership and Wealth Inequality: A Path to Reducing Wealth Concentration*, Harvard Business School Accounting and Management Unit Working Paper No. 22-021 (Sept. 30, 2021), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3942536

wealth gap is urgent."¹⁴ Although many publicly traded companies made racial justice commitments, few report using stock incentives as a means of addressing those commitments. Disseminating access to this data and shedding light on the issue is an essential first step in identifying necessary improvements.

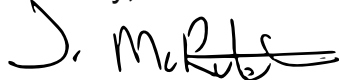
In sum, there is ample evidence the current Proposal is focused on wealth inequality, which is a significant social policy issue in the US today.

Conclusion

Under Rule 14a-8(g), the burden of proof falls on the company to show the proposal may be excluded. Here, the Company has failed to demonstrate the Proposal is excludable under Rule 14a-8(i)(7). Therefore, we request Staff inform the Company that SEC proxy rules require denial of the Company's no-action request.

We would be pleased to respond to Staff questions or negotiate with Meta Platforms, Inc., mutually agreeable terms for withdrawing the Proposal.

Sincerely,



James McRitchie
Shareholder Advocate

¹⁴ *Narrowing the Wealth Gap is Important. Narrowing the Racial Wealth Gap is Urgent*, Washington Post (July 30, 2021) <https://www.washingtonpost.com/opinions/2021/07/30/us-wealth-gap-race/>

March 16, 2022

Re: Withdrawal of No-Action Request Dated January 18, 2022 Regarding Shareholder
Proposal Submitted by James McRitchie

U.S. Securities and Exchange Commission
Office of Chief Counsel
Division of Corporation Finance
100 F. Street, N.E.
Washington, D.C. 20549
Via email: shareholderproposals@sec.gov

Dear Sir or Madam:

On behalf of Meta Platforms, Inc., a Delaware corporation (the “**Company**”), and in reference to our letter, dated January 18, 2022 (the “**No-Action Request**”), pursuant to which we requested that the staff of the Office of Chief Counsel of the Securities and Exchange Commission concur with our view that the Company may exclude the shareholder proposal (the “**Proposal**”) submitted by James McRitchie (the “**Proponent**”) from the proxy materials it intends to distribute in connection with its 2022 Annual Meeting of Shareholders.

Attached as Exhibit A is email communication, dated March 16, 2022 (the “**Withdrawal Communication**”), from the Proponent to the Company in which the Proponent voluntarily agrees to withdraw the Proposal. In reliance on the Withdrawal Communication, we hereby withdraw the No-Action Request.

Please contact the undersigned at (212) 450-4111 or michael.kaplan@davispolk.com if you should have any questions or need additional information. Thank you for your attention to this matter.

Respectfully yours,

Michael Kaplan

Attachment: Exhibit A

cc: John Chevedden
James McRitchie
Katherine R. Kelly, Vice President, Deputy General Counsel and Secretary,
Meta Platforms, Inc.

Withdrawal Communication

From: James McRitchie [REDACTED] PII
Sent: Wednesday, March 16, 2022 12:05 PM
To: Wesley Libuit
Cc: Kate Kelly
Subject: Re: Meta | Withdrawal of Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Wes,

Yes, I agree to withdraw the proposal "Address Wealth Inequality Through an Ownership Culture," given your assurance that Meta Platforms will include the requested disclosure in its 2023 proxy as outlined below.

James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>

[REDACTED] PII

On Mar 14, 2022, at 2:54 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

As discussed, please see below for the proposed new disclosure in our proxy statement for our 2023 Annual Meeting. We've updated the disclosure slightly from what you pasted below to add some additional clarification. Please let us know if you have any additional comments or if this disclosure would now work for you to withdraw your proposal this year.

Thanks,
Wes

///

Proposed new disclosure

We grant equity-based compensation in the form of RSUs, which generally vest over four years, as part of our total rewards strategy to create an ownership culture and align the interests of employees with shareholders. Upon vesting, each share of our Class A common stock is entitled to one vote.

	RSUs Outstanding as of December 31, 2022 (in thousands)	Shares Acquired on Vesting of RSUs in 2022 (in thousands)
Chief Executive Officer		
Other Named Executive Officers		

Non-Employee Directors		
All Other Employees		

On Mar 16, 2022, at 1:57 AM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

Thank you again for your time in discussing your shareholder proposal with us. I am glad that we were able to reach an agreement on an additional disclosure to be included in our 2023 Annual Meeting Proxy Statement.

We would appreciate your reply to this email with confirmation that you have agreed to withdraw the shareholder proposal entitled “Address Wealth Inequality Through an Ownership Culture” that you submitted for our 2022 Annual Meeting of Shareholders.

Best,
Wes

 **Meta**
Wesley Libuit
Associate General Counsel

From:
Sent:
To:
Cc:
Subject:

James McRitchie
Wednesday, March 16, 2022 11:52 AM
Wesley Libuit
Erin Guldiken; Kate Kelly
Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Agreed.

James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>



On Mar 16, 2022, at 1:54 AM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

That’s great news. We confirm that if you withdraw your proposal we will include the filled-out matrix described below in the proxy statement for our 2023 annual meeting. To formalize this understanding I will send you a new clean email under separate cover. Can you please reply to that email to confirm your withdrawal and we will then move forward and file that with the SEC?

Thanks,
Wes

From: James McRitchie
Date: Monday, March 14, 2022 at 5:38 PM
To: Wesley Libuit <wlibuit@fb.com>
Cc: Erin Guldiken <ering@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Wes

That would do the trick. If you can make a firm commitment that Meta Platforms will actually provide a filled-out matrix, as described below, I would be happy to withdraw my proposal. — Jim

James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>



On Mar 14, 2022, at 2:54 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

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Thanks,
Wes

///

Proposed new disclosure

We grant equity-based compensation in the form of RSUs, which generally vest over four years, as part of our total rewards strategy to create an ownership culture and align the interests of employees with shareholders. Upon vesting, each share of our Class A common stock is entitled to one vote.

	RSUs Outstanding as of December 31, 2022 (in thousands)	Shares Acquired on Vesting of RSUs in 2022 (in thousands)
Chief Executive Officer		
Other Named Executive Officers		
Non-Employee Directors		
All Other Employees		

From: James McRitchie [redacted]
Date: Thursday, March 10, 2022 at 1:13 PM
To: Wesley Libuit <wlibuit@fb.com>
Cc: Erin Guldiken <ering@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Wes

How about something like this?

Meta Platforms grants equity-based compensation in the form of restricted stock units (RSUs), which generally vest in four years, as part of our total rewards strategy to create an ownership culture and align the interests of employees with shareholders. Upon vesting, each share of Class A common stock carries one vote.

Company Level	RSU’s Outstanding as of 12/31/22	Stock Vested in 2022
CEO		
Other Named Officers		
Non-Employee Directors		
All Other US Employees		

Additionally, does Meta offer an employee stock purchase plan (ESPP), options, performance share units, etc? Those would add additional columns.

Jim
James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>



On Mar 10, 2022, at 12:10 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

Of course – I will send you a calendar invite for 2pm today but please let me know if that no longer works.

To answer your questions, yes we disclose that in general our RSUs vest over a service period of four years and they all settle into shares of our Class A common stock. Each share of our Class A common stock has one vote per share.

Wes

From: James McRitchie [redacted]
Date: Wednesday, March 9, 2022 at 8:54 PM
To: Wesley Libuit <wlibuit@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Wes,

Thanks for getting back to me. This is a very positive development. However, I don’t fully understand, so a discussion would be helpful. I’m available tomorrow at 11am and after.

What are the vesting schedules? Would FB also disclose the number of RSU that were vested as of 12/21/22 and the associated voting rights? Are they all the the same class of shares?

— Jim

James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>



On Mar 9, 2022, at 6:02 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

Thanks again for your time last month to discuss your shareholder proposal. We wanted to follow up on that discussion and let you know that we have circled internally on a potential disclosure along the lines of what you mentioned you are looking for. I've pasted the proposed language below. Please let us know what you think of this and whether you would be open to withdrawing your proposal for our 2022 Annual Meeting if we were to commit to including this language in the proxy statement for our 2023 Annual Meeting. I am also happy to discuss live if that would be helpful.

Best,
Wes

///

Proposed Disclosure in Meta's 2023 Proxy Statement

- “We grant equity-based compensation, with vesting conditions, as part of our total rewards strategy to create an ownership culture and align employees with shareholders. A total of approximately [XX] RSUs that had been granted to our employees were unvested and outstanding as of December 31, 2022. Of those awards, our named executive officers held approximately [XX] RSUs; non-employee directors held approximately [XX] RSUs; and all other employees held approximately [XX] RSUs.”

From: James McRitchie [PII]
Date: Thursday, January 13, 2022 at 5:39 AM
To: Wesley Libuit <wlibuit@fb.com>
Cc: John Chevedden [PII], Investor Relations <investor@fb.com>, Erin Guldiken <ering@fb.com>, Mike Johnson <mj@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Got it. Thanks.

On Jan 12, 2022, at 8:39 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

Thanks for the quick response. We will plan to give you a call at 4pm PT on Friday at the number in your signature (916.869.2402) and I'll send you a calendar invite shortly.

Wes

From: James McRitchie [PII]
Date: Wednesday, January 12, 2022 at 7:04 PM
To: Wesley Libuit <wlibuit@fb.com>
Cc: John Chevedden [PII], Investor Relations <investor@fb.com>, Erin Guldiken <ering@fb.com>, Mike Johnson <mj@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Wes,

I'm available on Friday at 11:00am or later. Happy to discuss.

Jim

On Jan 12, 2022, at 5:59 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Hello John,

Thank you for your patience and I’m just circling back to see if you have any availability tomorrow or Friday for a quick call? We are just hoping to briefly connect and discuss at a high level the next steps for engagement.

If so please let me know the best number to reach you at and a time that works for you between 11am-12pm PT on Thursday, or on Friday between 6-7am PT, 7:30-8:30am PT, and 4-5pm PT.

Thanks,
Wes

From: Wesley Libuit <wlibuit@fb.com>
Date: Thursday, December 23, 2021 at 4:55 PM
To: James McRitchie PII
Cc: Investor Relations <investor@fb.com>, Erin Guldiken <ering@fb.com>, Nadira Narine <nnarine@iccr.org>, Anita Dorett <adorett@iccr.org>, Julie Wokaty <jwokaty@iccr.org>, ICCR <pdavis@iccr.org>, Mike Johnson <mj@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Hi Jim,

Thank you for your email and I confirm receipt. We plan to circle back with you after the holiday to find a time to discuss the contents of this proposal further.

Best,
Wes

From: James McRitchie PII
Date: Friday, December 10, 2021 at 5:39 PM
To: Wesley Libuit <wlibuit@fb.com>
Cc: Investor Relations <investor@fb.com>, Erin Guldiken <ering@fb.com>, Nadira Narine <nnarine@iccr.org>, Anita Dorett <adorett@iccr.org>, Julie Wokaty <jwokaty@iccr.org>, ICCR <pdavis@iccr.org>, Mike Johnson <mj@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Wes

Broker letter attached. Please acknowledge delivery.

Thanks, Jim

On Dec 7, 2021, at 4:02 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Dear James,

Thank you for your email and I acknowledge receipt of your proposal. As you’ve mentioned, please provide us with the required letter from your broker to verify your ownership eligibility

under Rule 14a-8(b) of the Securities Exchange Act of 1934 as soon as possible.

Best,
Wes

From: James McRitchie [REDACTED] PII
Date: Tuesday, December 7, 2021 at 12:47 PM
To: Kate Kelly <krkelly@fb.com>
Cc: Investor Relations <investor@fb.com>, Wesley Libuit <wlibuit@fb.com>, Erin Guldiken <ering@fb.com>, Nadira Narine <nnarine@iccr.org>, Anita Dorett <adorett@iccr.org>, Julie Wokaty <jwokaty@iccr.org>, ICCR <pdavis@iccr.org>
Subject: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Dear Corporate Secretary:

Please find and acknowledge via email the attached shareholder proposal for presentation at the next shareholder meeting.

SEC SLB 14L Section F, <https://www.sec.gov/corpfin/staff-legal-bulletin-14l-shareholder-proposals>, Staff "encourages both companies and shareholder proponents to acknowledge receipt of emails when requested." I am requesting.

James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>

[REDACTED] PII

James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>

[REDACTED] PII

March 16, 2022

Re: Withdrawal of No-Action Request Dated January 18, 2022 Regarding Shareholder
Proposal Submitted by James McRitchie

U.S. Securities and Exchange Commission
Office of Chief Counsel
Division of Corporation Finance
100 F. Street, N.E.
Washington, D.C. 20549
Via email: shareholderproposals@sec.gov

Dear Sir or Madam:

On behalf of Meta Platforms, Inc., a Delaware corporation (the “**Company**”), and in reference to our letter, dated January 18, 2022 (the “**No-Action Request**”), pursuant to which we requested that the staff of the Office of Chief Counsel of the Securities and Exchange Commission concur with our view that the Company may exclude the shareholder proposal (the “**Proposal**”) submitted by James McRitchie (the “**Proponent**”) from the proxy materials it intends to distribute in connection with its 2022 Annual Meeting of Shareholders.

Attached as Exhibit A is email communication, dated March 16, 2022 (the “**Withdrawal Communication**”), from the Proponent to the Company in which the Proponent voluntarily agrees to withdraw the Proposal. In reliance on the Withdrawal Communication, we hereby withdraw the No-Action Request.

Please contact the undersigned at (212) 450-4111 or michael.kaplan@davispolk.com if you should have any questions or need additional information. Thank you for your attention to this matter.

Respectfully yours,

Michael Kaplan

Attachment: Exhibit A

cc: John Chevedden
James McRitchie
Katherine R. Kelly, Vice President, Deputy General Counsel and Secretary,
Meta Platforms, Inc.

Withdrawal Communication

From: James McRitchie [REDACTED] PII
Sent: Wednesday, March 16, 2022 12:05 PM
To: Wesley Libuit
Cc: Kate Kelly
Subject: Re: Meta | Withdrawal of Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Wes,

Yes, I agree to withdraw the proposal "Address Wealth Inequality Through an Ownership Culture," given your assurance that Meta Platforms will include the requested disclosure in its 2023 proxy as outlined below.

James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>

[REDACTED] PII

On Mar 14, 2022, at 2:54 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

As discussed, please see below for the proposed new disclosure in our proxy statement for our 2023 Annual Meeting. We've updated the disclosure slightly from what you pasted below to add some additional clarification. Please let us know if you have any additional comments or if this disclosure would now work for you to withdraw your proposal this year.

Thanks,
Wes

///

Proposed new disclosure

We grant equity-based compensation in the form of RSUs, which generally vest over four years, as part of our total rewards strategy to create an ownership culture and align the interests of employees with shareholders. Upon vesting, each share of our Class A common stock is entitled to one vote.

	RSUs Outstanding as of December 31, 2022 (in thousands)	Shares Acquired on Vesting of RSUs in 2022 (in thousands)
Chief Executive Officer		
Other Named Executive Officers		

Non-Employee Directors		
All Other Employees		

On Mar 16, 2022, at 1:57 AM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

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We would appreciate your reply to this email with confirmation that you have agreed to withdraw the shareholder proposal entitled “Address Wealth Inequality Through an Ownership Culture” that you submitted for our 2022 Annual Meeting of Shareholders.

Best,
Wes



Wesley Libuit
Associate General Counsel

From:
Sent:
To:
Cc:
Subject:

James McRitchie
Wednesday, March 16, 2022 11:52 AM
Wesley Libuit
Erin Guldiken; Kate Kelly
Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Agreed.

James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>

On Mar 16, 2022, at 1:54 AM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

That’s great news. We confirm that if you withdraw your proposal we will include the filled-out matrix described below in the proxy statement for our 2023 annual meeting. To formalize this understanding I will send you a new clean email under separate cover. Can you please reply to that email to confirm your withdrawal and we will then move forward and file that with the SEC?

Thanks,
Wes

From: James McRitchie
Date: Monday, March 14, 2022 at 5:38 PM
To: Wesley Libuit <wlibuit@fb.com>
Cc: Erin Guldiken <ering@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

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That would do the trick. If you can make a firm commitment that Meta Platforms will actually provide a filled-out matrix, as described below, I would be happy to withdraw my proposal. — Jim

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Proposed new disclosure

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Chief Executive Officer		
Other Named Executive Officers		
Non-Employee Directors		
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From: James McRitchie [redacted]
Date: Thursday, March 10, 2022 at 1:13 PM
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Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Wes

How about something like this?

Meta Platforms grants equity-based compensation in the form of restricted stock units (RSUs), which generally vest in four years, as part of our total rewards strategy to create an ownership culture and align the interests of employees with shareholders. Upon vesting, each share of Class A common stock carries one vote.

Company Level	RSU’s Outstanding as of 12/31/22	Stock Vested in 2022
CEO		
Other Named Officers		
Non-Employee Directors		
All Other US Employees		

Additionally, does Meta offer an employee stock purchase plan (ESPP), options, performance share units, etc? Those would add additional columns.

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On Mar 10, 2022, at 12:10 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

Of course – I will send you a calendar invite for 2pm today but please let me know if that no longer works.

To answer your questions, yes we disclose that in general our RSUs vest over a service period of four years and they all settle into shares of our Class A common stock. Each share of our Class A common stock has one vote per share.

Wes

From: James McRitchie [redacted]
Date: Wednesday, March 9, 2022 at 8:54 PM
To: Wesley Libuit <wlibuit@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

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Thanks for getting back to me. This is a very positive development. However, I don’t fully understand, so a discussion would be helpful. I’m available tomorrow at 11am and after.

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— Jim

James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>



On Mar 9, 2022, at 6:02 PM, Wesley Libuit <wlibuit@fb.com> wrote:

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Best,
Wes

///

Proposed Disclosure in Meta's 2023 Proxy Statement

- “We grant equity-based compensation, with vesting conditions, as part of our total rewards strategy to create an ownership culture and align employees with shareholders. A total of approximately [XX] RSUs that had been granted to our employees were unvested and outstanding as of December 31, 2022. Of those awards, our named executive officers held approximately [XX] RSUs; non-employee directors held approximately [XX] RSUs; and all other employees held approximately [XX] RSUs.”

From: James McRitchie [PII]
Date: Thursday, January 13, 2022 at 5:39 AM
To: Wesley Libuit <wlibuit@fb.com>
Cc: John Chevedden [PII], Investor Relations <investor@fb.com>, Erin Guldiken <ering@fb.com>, Mike Johnson <mj@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Got it. Thanks.

On Jan 12, 2022, at 8:39 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Hi Jim,

Thanks for the quick response. We will plan to give you a call at 4pm PT on Friday at the number in your signature (916.869.2402) and I'll send you a calendar invite shortly.

Wes

From: James McRitchie [PII]
Date: Wednesday, January 12, 2022 at 7:04 PM
To: Wesley Libuit <wlibuit@fb.com>
Cc: John Chevedden [PII], Investor Relations <investor@fb.com>, Erin Guldiken <ering@fb.com>, Mike Johnson <mj@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Wes,

I'm available on Friday at 11:00am or later. Happy to discuss.

Jim

On Jan 12, 2022, at 5:59 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Hello John,

Thank you for your patience and I’m just circling back to see if you have any availability tomorrow or Friday for a quick call? We are just hoping to briefly connect and discuss at a high level the next steps for engagement.

If so please let me know the best number to reach you at and a time that works for you between 11am-12pm PT on Thursday, or on Friday between 6-7am PT, 7:30-8:30am PT, and 4-5pm PT.

Thanks,
Wes

From: Wesley Libuit <wlibuit@fb.com>
Date: Thursday, December 23, 2021 at 4:55 PM
To: James McRitchie PII
Cc: Investor Relations <investor@fb.com>, Erin Guldiken <ering@fb.com>, Nadira Narine <nnarine@iccr.org>, Anita Dorett <adorett@iccr.org>, Julie Wokaty <jwokaty@iccr.org>, ICCR <pdavis@iccr.org>, Mike Johnson <mj@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Hi Jim,

Thank you for your email and I confirm receipt. We plan to circle back with you after the holiday to find a time to discuss the contents of this proposal further.

Best,
Wes

From: James McRitchie PII
Date: Friday, December 10, 2021 at 5:39 PM
To: Wesley Libuit <wlibuit@fb.com>
Cc: Investor Relations <investor@fb.com>, Erin Guldiken <ering@fb.com>, Nadira Narine <nnarine@iccr.org>, Anita Dorett <adorett@iccr.org>, Julie Wokaty <jwokaty@iccr.org>, ICCR <pdavis@iccr.org>, Mike Johnson <mj@fb.com>, Kate Kelly <krkelly@fb.com>
Subject: Re: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Wes

Broker letter attached. Please acknowledge delivery.

Thanks, Jim

On Dec 7, 2021, at 4:02 PM, Wesley Libuit <wlibuit@fb.com> wrote:

Dear James,

Thank you for your email and I acknowledge receipt of your proposal. As you’ve mentioned, please provide us with the required letter from your broker to verify your ownership eligibility

under Rule 14a-8(b) of the Securities Exchange Act of 1934 as soon as possible.

Best,
Wes

From: James McRitchie [PI]
Date: Tuesday, December 7, 2021 at 12:47 PM
To: Kate Kelly <krkelly@fb.com>
Cc: Investor Relations <investor@fb.com>, Wesley Libuit <wlibuit@fb.com>, Erin Guldiken <ering@fb.com>, Nadira Narine <nnarine@iccr.org>, Anita Dorett <adorett@iccr.org>, Julie Wokaty <jwokaty@iccr.org>, ICCR <pdavis@iccr.org>
Subject: Rule 14a-8 Shareholder Proposal to Address Wealth Inequality Through an Ownership Culture

Dear Corporate Secretary:

Please find and acknowledge via email the attached shareholder proposal for presentation at the next shareholder meeting.

SEC SLB 14L Section F, <https://www.sec.gov/corpfin/staff-legal-bulletin-14l-shareholder-proposals>, Staff "encourages both companies and shareholder proponents to acknowledge receipt of emails when requested." I am requesting.

James McRitchie
Shareholder Advocate
Corporate Governance
<http://www.corpgov.net>

[PI]

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