



**IMMEDIATE RELEASE**

June 3, 2019

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**Proposals at Amazon and Facebook Filed by Harrington Investments Attract Strong Support from Independent Shareholders**

NAPA, CA. - Shareholder proposals raising concerns with two tech giants about civil rights issues in a lax regulatory environment gained critical attention and support from independent shareholders. A proposal at Facebook addressed the company's political advertising policies, while another at Amazon challenged the company's troublesome facial recognition technology.

The proposals, filed by Harrington Investments, Inc. (HII), were voted on at the companies' annual meetings, both of which were held on May 27th, 2020. Susan Ozawa Perez, Portfolio Manager at Harrington presented at the Facebook meeting and Michael Connor, Executive Director of Open MIC, presented on behalf of Harrington at the Amazon meeting.

An analysis by [Open MIC](#) of subsequent filings by the companies at the Securities and Exchange Commission shows that the independent shareholder votes at the companies – i.e., excluding shares held by Facebook CEO Mark Zuckerberg and Amazon CEO Jeff Bezos – demonstrate substantial support for the two proposals.

- At Facebook, a proposal challenging the company's role in exempting political advertisements and posts from fact-checking rules such as the Company's Community Standards garnered 12.7% support. When Zuckerberg's shares are excluded, the resolution won 41.8% of the independent shareholder vote.
- At Amazon, a proposal raising concerns about the civil and human rights risks of Rekognition, the company's facial recognition technology, garnered 31.9% support.

When Jeff Bezos' shares are excluded, the resolution won 40.2% of the independent shareholder vote.

Mark Zuckerberg controls 57.9% of the voting shares at Facebook while Jeff Bezos controls 15.1% of the voting shares at Amazon. When those personal holdings are subtracted from the total of shares voted, a strong independent shareholder voice emerges.

The proposal regarding political advertising at Facebook called for a report to assess the operational, reputational, and social license implications of the company policy which waives political content from its platform standards, as well as the board's assessment of the concerns regarding the potential impact of those policies on democracy, public discourse, and civil and human rights.

In presenting the proposal at Facebook's annual meeting, HII's Susan Perez said at the Facebook meeting: "Media companies are held accountable by the FCC for airing false or misleading information; content that incites imminent lawless action and violent programming and required to identify the sponsorship of political ads. Although management has made the case that social media platforms should not be regulated like media companies, the public impact is only magnified by our unique reach to 2.6 billion users and the vast troves of data used to target them. We have seen how deceitful and fraudulent political content in this vacuum of regulation and sufficient moderation, has fomented historical antagonisms which have been weaponized by political entities . . . to consolidate power with hateful and exclusionary rhetoric, *damaging* the social fabric of society, provoking violence and unrest and up-ending close elections. . . . This policy gives politicians free reign to libel and slander others, undermine our elections, push conspiracy theories and promote xenophobic propaganda while the company profits."

The proposal regarding Rekognition at Amazon asked the company's Board for an independent study regarding the extent to which the facial recognition technology threatens or violates

privacy or civil rights, and disproportionately impacts people of color, immigrants and activists in the United States and worldwide.

In presenting the proposal on behalf of HII at Amazon's annual meeting, Michael Connor, Executive Director of Open MIC, at the Amazon meeting explained that researchers at MIT have found that Rekognition demonstrates gender and racial bias and is far more likely to misidentify women and people with dark skin than white men. "While the company disputes that research, it has not submitted its algorithm for independent testing by the National Institute of Standards and Technology while peer companies – like Microsoft – have done so. Many experts and lawmakers have questioned whether the technology should be used at all, even if it is 100% accurate," Connor said.

"The growing number of laws on the books regarding facial recognition software are outright bans, so clearly the company must look at the regulatory, legal and reputational risk in addition to the irreversible harm on society this technology poses. In the hands of police customers, Rekognition could exacerbate racial injustice, as people of color incorrectly identified as violent criminals would be at greater risk of police violence during a pursuit or arrest. We are encouraged that a significant number of shareholders are also concerned this technology will unleash unparalleled surveillance capacity inhibiting basic freedoms and particularly impact people of color," said John Harrington, President of HII.

*HII is a 38-year old Registered Investment Advisory firm managing individual and institutional assets based upon comprehensive social and environmental screens, shareholder advocacy, and an impact investment agenda.*