

September 9, 2020

Chairman Jerrold Nadler  
Committee on the Judiciary  
Subcommittee on Antitrust, Commercial, and Administrative Law  
U.S. House of Representatives  
2138 Rayburn House Office Building  
Washington, DC 20515  
ATTN: Joseph Van Wye

Dear Chairman Nadler, Ranking Member Jordan, Subcommittee Chairman Cicilline,  
Subcommittee Ranking Member Sensenbrenner, and Members of the Subcommittee,

Thank you for your questions for the record from the Subcommittee on Antitrust, Commercial, and Administrative Law's July 29, 2020 virtual hearing entitled "Online Platforms and Market Power, Part 6: Examining the Dominance of Amazon, Apple, Facebook, and Google." Per your request, attached are the answers for the record to your questions.

While not a question included in the questions for the record, we would like to follow up on Mark Zuckerberg's exchange with Congresswoman McBath regarding how Facebook uses "cookies" to make clear for the record that Facebook has honored the commitments in its privacy policies. Mark correctly testified that Facebook has used cookies for a variety of purposes, including those he enumerated in his testimony. Those purposes have evolved as our services have evolved, and include helping to serve relevant ads. Our privacy policies have always been transparent about the way we use cookies.

Sincerely,

Facebook, Inc.

## Questions from Chairman Cicilline

1. **Please confirm whether Giphy enables Facebook to track the following types of data:**
  - a. **The number of users accessing Giphy images on any non-Facebook app;**
  - b. **Individual Giphy images used by individual users on non-Facebook apps;**
  - c. **An individual user's keystrokes searched using Giphy tools on non-Facebook apps; and**
  - d. **A Giphy user's browsing activity across the web.**

Facebook purchased GIPHY because it had a quality service, a highly skilled team, and an expressive creator community. Data was not the motivation. Becoming part of Instagram represents a tremendous opportunity for GIPHY to build upon and expand users' and content creators' ability to make and share the creative content that they are passionate about.

On June 9, 2020, the U.K. Competition and Markets Authority issued an Interim Enforcement Order to Facebook requiring Facebook to hold the GIPHY business separate from the rest of Facebook until the Order is lifted or modified. As a consequence, Facebook has limited information about GIPHY's data practices.

2. **Please identify all types of individual and aggregate data that Facebook will be able to track on non-Facebook apps that make Giphy images available.**

Please see the response to your Question 1.

3. **Will Giphy enable Facebook to track usage rates of non-Facebook apps that use Giphy?**

Please see the response to your Question 1.

4. **Documents Facebook provided to the Committee reveal that Facebook used Onavo to track usage rates of actual and potential competitors. What, if anything, prevents Facebook from using Giphy for the same purpose?**

Please see the response to your Question 1.

5. **Can a non-Facebook app enable Giphy services while preventing Facebook from collecting individual or aggregate data on its users?**

Please see the response to your Question 1.

6. **Did Facebook report its acquisition of Giphy in a Hart-Scott-Rodino filing? If not please identify any reporting exemption that Facebook claimed.**

The relevant statutory test did not require an HSR filing with respect to the GIPHY transaction. *See* 15 U.S.C. § 18(a).

**7. In 2019, Facebook reported over 6 billion fake accounts on Facebook’s platforms. Does Facebook permit independent auditing of its fake account numbers?**

Our goal is to keep fake accounts off of Facebook, and we continue to improve our ability to detect and remove them. We estimate that our detection systems help us prevent millions of attempts to create fake accounts every day, and to detect and remove millions more, often within minutes after creation. Of the nearly 6 billion fake accounts we disabled in 2019, over 99% of them were identified proactively by Facebook and removed before users reported them to us.

To track our progress and demonstrate our continued commitment to making Facebook safe and inclusive, we regularly release a Community Standards Enforcement Report, which includes metrics on how Facebook is performing in preventing and removing content that violates our Community Standards, including fake accounts. For more information, please see <https://transparency.facebook.com/community-standards-enforcement#fake-accounts>.

In the context of our Community Standards Enforcement Report, the metrics we report are based on methodologies that aim to provide an accurate representation of what’s happening on our platform. For more information, please see the guide to the Community Standards Enforcement Report at <https://transparency.facebook.com/community-standards-enforcement/guide>. However, we are always working to improve and, to this end, over a year ago we worked with international experts in measurement, statistics, law, economics, and governance to provide an independent, public assessment of whether the metrics we share in the Enforcement Report provide accurate and useful measures of Facebook’s content moderation challenges and our work to address them. They broadly agreed that we are looking at the right metrics and provided some recommendations for improvement, including launching appeals reporting. For more information, please see [https://law.yale.edu/sites/default/files/area/center/justice/document/dtag\\_report\\_5.22.2019.pdf](https://law.yale.edu/sites/default/files/area/center/justice/document/dtag_report_5.22.2019.pdf).

We are also working to further validate that the metrics are measured and reported correctly. Over the past year, we have been working with auditors internally to assess how the metrics we report can be audited most effectively. We have issued a Request For Proposal to external auditors to conduct an independent audit of these metrics. We hope to conduct this audit starting in 2021 and have the auditors publish their assessments once completed. For more information, please see <https://about.fb.com/news/2020/08/independent-audit-of-enforcement-report-metrics/>.

**8. Has Facebook ever cut off or denied platform access to apps or services that would be able to independently detect fake accounts on Facebook?**

As explained above, we remove as many fake Facebook accounts as we can, and we continue to improve our ability to do so. We estimate that our detection systems help us prevent millions of attempts to create fake accounts every day. We regularly measure and report out

information on our enforcement efforts against fake accounts, and we intend to conduct an external audit of our metrics next year.

Our policies do not deny access to apps or services on the basis that they seek to detect fake accounts.

**9. Last week Facebook released Reels, a direct competitor to TikTok. Did Facebook use Onavo, or any other internal device, to track TikTok’s usage patterns or growth?**

Like all companies in the technology sector and beyond, Facebook closely follows commercial developments in its industry. We are constantly striving to improve the user experience, and an important part of that is responding to new features users demand. To analyze these trends, Facebook has relied on a variety of sources, including Onavo, Comscore, App Annie, and others. Websites and apps have used industry research services for years, including the same sources Facebook uses.

We use these insights to improve products like Facebook, Instagram, WhatsApp, Portal, and Oculus, and to benefit the broader community. This type of industry research is common and central to improving our products and services.

**10. In 2018, TikTok was one of Facebook’s largest Chinese advertisers. In 2019, however, TikTok essentially stopped advertising on Facebook.<sup>i</sup> Did Facebook in any way attempt to limit TikTok’s reach prior to its decision to reduce advertising on Facebook?**

TikTok has become a Facebook ad success story. They continue to use our ad platform to grow, becoming the successful platform they are today, including competing with Facebook's services.

**11. In your view, does Apple in any way impede Facebook on iOS?**

We face stiff competition from a variety of services that compete for user time and attention. With Apple, we compete in areas including messaging, photo, video sharing, and advertising. With Google, we compete in areas including advertising, messaging, photo, and video sharing.

Importantly, while we compete with these companies, we also rely on them to be able to operate. As mobile operating system providers, Apple iOS and Google Android are the primary distribution channels between Facebook and its users.

Indeed, today most people access Facebook through mobile applications we have developed for the world’s leading smartphone operating systems, Apple’s iOS and Google’s Android. Apple and Google provide online stores that enable users of their operating systems to download third-party software applications—or apps—onto their devices, including versions of

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<sup>i</sup> Paresh Dave & Katie Paul, Facebook defies China headwinds with new ad sales push, REUTERS (Jan. 7, 2020). <https://www.reuters.com/article/us-facebook-china-focus/facebook-defies-china-headwinds-with-new-ad-sales-push-idUSKBN1Z616Q>.

Facebook that we build for those devices. If Apple or Google decide to block Facebook from their online stores, Facebook’s ability to reach users will be severely impacted.

**12. In your view, does Google in any way impede Facebook on Android?**

Please see the response to your Question 11.

**13. Between 2014 and 2016, Facebook inflated metrics measuring average viewership of video ads by 900 percent. Numerous news organizations made major editorial decisions and laid off journalists based on Facebook’s inflated metrics.**

**a. Facebook disclosed this error in 2016. A group of advertisers alleged that Facebook executives knew as early as January 2015 that its metrics were flawed. When did you personally learn that Facebook’s metrics on video ad viewership were erroneous?**

In August 2016, Facebook announced that it had discovered an error in the way it was calculating two metrics it provided to its video advertisers: average duration of video viewed (“ADV”) and average percentage of video viewed (“APVV”). The error was inadvertently introduced by a coding change in February 2015. Facebook discovered the error in the summer of 2016, and publicly announced it by, among other things, placing a notice in the product itself and issuing a blog post. Facebook also deprecated and replaced the two erroneous metrics, and it undertook a systematic review to verify the accuracy of its other video metrics. In addition, Facebook improved the processes that allowed the error to be introduced and to go undetected.

Facebook regrets making this error, and it takes any error extremely seriously. We note, however, that ADV and APVV were two of numerous video metrics that Facebook made available, and that advertisers at all times had access to accurate information about how long viewers were viewing their ads. For example, Facebook provided four additional view-duration metrics—the number of people who watched each video to 25%, 50%, 75%, and 100% completion—which were not affected by the error. In addition, Facebook provided a retention graph (an example of which is depicted below) showing the percentage of viewers who watched the video to different lengths, which also was not affected by the error.

**Audience Retention**

Views of your video at each moment as a percentage of all views, including views shorter than 3 seconds.



In 2019, Facebook settled a class action lawsuit filed on behalf of video advertisers related to the ADVV and APVV error. In 2020, the court approved the settlement, and affected US advertisers have now begun receiving distributions. If news publishers purchased video ads on Facebook between February 2015 and September 2016, they may be entitled to a pro rata share of the settlement fund.

We at Facebook care a great deal about making sure that a healthy news and journalism ecosystem can thrive. In January 2017, we announced the Facebook Journalism Project (“the Journalism Project”), an initiative to establish stronger ties between Facebook and the news industry. Over the past three years, this project has invested more than \$425 million to help the journalism industry by developing news products; providing grants, training, and tools for journalists; and working with publishers and educators on how we can equip people with the knowledge they need to be informed readers in the digital age. Since launching the Journalism Project, we have met with more than 2,600 publishers around the world to understand how they use our products and how we can make improvements to better support their needs.

This investment includes support for organizations like the Pulitzer Center, Report for America, the Knight-Lenfest Local News Transformation Fund, the Local Media Association and Local Media Consortium, the American Journalism Project, and the Community News Project.

Also through the Journalism Project, in February 2018, we launched our \$3.5 million Local News Subscriptions Accelerator, a pilot program designed to help news publishers build their digital subscription revenues. In August 2018, we introduced our Membership Accelerator, another \$3.5 million program designed to help non-profit news organizations and local, independent publishers with membership models to build sustainable businesses by providing supporters access to exclusive content and experiences through memberships. In January 2019, we also committed more than \$20 million to continue these programs in the United States and expand the model globally. Additionally, in August 2018, we made a \$1 million donation to NewsMatch, a national matching campaign that doubles donations to non-profit newsrooms and promotes giving to journalism among US donors.

- b. In 2019 Facebook agreed to pay advertisers \$40 million to settle a lawsuit over Facebook’s exaggerated video ad metrics. What compensation, if any, has Facebook provided to news publishers who suffered due to Facebook’s inflated metrics?**

Please see the response to your Question 13.a.

- 14. In October 2019, Facebook introduced the News Tab and began paying select publishers to be included.**

- a. Are the pricing and terms that Facebook offers publishers negotiable or does Facebook require any publisher seeking to participate in the program to accept the pricing and terms that Facebook lists?**

We launched Facebook News in October 2019, making a \$300 million commitment to help publishers invest in building their readership and subscription models. In so doing, we have

established a long-term financial partnership between publishers and Facebook—a multi-year commitment that should give publishers the confidence to plan ahead.

People want to see high-quality news on Facebook, and we are proud to partner with many leading media outlets to bring them that content through Facebook News. We now have multi-year partnerships with ABC News, The New York Times, The Wall Street Journal, The Washington Post, BuzzFeed, The Dallas Morning News, and many more publishers. We are constantly evaluating the product to ensure it meets our users' needs and we will consider doing deals with additional publishers as the product evolves. Our guiding principle is that journalism plays a critical role in our democracy. When news is deeply reported and well-sourced, it gives people information on which they can rely.

We have built tools to help publishers increase their subscribers by driving people from Facebook links to publisher websites. Among other benefits, Facebook provides publishers with free, organic distribution of news (and other content), which grows the audience and revenue for news publishers; customized tools and products to help news publishers monetize their content; and initiatives to assist publishers to innovate with online news content, along with bringing indirect value to publishers such as brand awareness and community-building.

Publishers are able to decide when a reader sees a paywall. They control the relationship with their readers with subscription payments taking place directly on publishers' websites. We do not take any cut of the subscription revenue because we want as much of the revenue as possible to go toward funding quality journalism. Helping publishers reach new audiences has been one of our most important goals, and we have found that over 95% of the traffic Facebook News now delivers to publishers is incremental to the traffic they already get from News Feed.

We negotiate directly and bilaterally with publishers on compensation terms for inclusion in Facebook News. We identify these publishers by considering many factors, including the content they produce across four categories (general, topical, local, and diverse), and we aim to ensure that we have the volume and type of content we need in order to create a compelling user experience within the Facebook News product. We worked closely with publishers as we built the Facebook News product, and we strive to maintain an open dialogue with each of our publisher partners about all aspects of our relationship, including, as appropriate, issues related to licensing fees.

Beyond news publishers with whom we have deals, Facebook News also features a wide range of content across four categories of publishers: general, topical, diverse, and local news. These publishers need to be in our News Page Index, which we developed in collaboration with the industry to identify news content; abide by our Publisher Guidelines, which include prohibitions on publishing misinformation, clickbait, and engagement bait; and abide by our Community Standards.

For more information about Facebook News, please visit <https://www.facebook.com/news/howitworks>. For more information about our News Page Index, please see <https://www.facebook.com/help/publisher/377680816096171>.

- b. Please identify all factors that Facebook considered when identifying which publishers it would compensate for inclusion in the News Tab.**

Please see the response to your Question 14.a.



## **Questions from Representative Jayapal**

- 1. Please list all companies that Facebook negotiated with about an acquisition while Facebook was also developing or had developed a competing product to those companies' products.**

Where user demand exists for a new product or feature that we believe is complementary to our existing service, Facebook often tries to meet that demand, sometimes by developing the product or feature ourselves and sometimes by acquiring a company with the right talent and/or technology in order to drive innovation more quickly and effectively. Facebook may bring its own expertise to the challenge of innovating for the acquired company, it may introduce the technology or expertise of the acquired company to innovate with Facebook, or it may do both.

Facebook invests heavily in research and development and seeks to continuously offer new products, as well as refine existing ones, in order to deliver innovative products and experiences to its users. Facebook's goal in any acquisition is to maximize the use and benefit of the acquired company's assets in order to achieve the strategic need for which the acquisition was undertaken.

- 2. Please list all companies that Facebook has sued since 2005 using causes of action delineated by the Computer Fraud and Abuse Act.**

Since 2005, based on a review of available records, Facebook has brought 11 lawsuits against the following companies in federal district court alleging, inter alia, violations of the Computer Fraud and Abuse Act, 18 U.S.C. § 1030:

1. OneAudience LLC
2. ILikeAd Media International Company Ltd.
3. NSO Group Technologies Ltd. and Q Cyber Technologies Ltd.
4. JediMobi Tech Pte. Ltd. and LionMobi Holding, Ltd.
5. Social Media Series Limited
6. MaxBounty, Inc.
7. Choko Systems LLC, Harm, Inc., PP Web Services LLC, and iMedia Online Services LLC
8. Power Ventures, Inc. d/b/a Power.com, Power Ventures, Inc.,
9. StudiVZ, Ltd, Verlagsgruppe Georg Von Holtzbrinck GmbH, Holtzbrinck Networks GmbH, and Holtzbrinck Ventures GmbH
10. Istra Holdings Inc., Slickcash.com, and 1564476 Ontario Limited
11. ConnectU, Inc. and Pacific Northwest Software, Inc.

**3. Please explain whether Facebook has any plans to gather country-specific data about the spread of hate speech on the platform.<sup>i</sup>**

To track our progress and hold ourselves accountable on enforcement of our Community Standards, including our hate speech policy, we regularly release a Community Standards Enforcement Report, which includes metrics on content removals and proactive detection. In the second quarter of 2020, Facebook removed 22.5 million pieces of content for violating our hate speech policies, up from 9.6 million pieces of content in the first quarter of 2020. We detected and actioned 94.5% of that content before users reported it, up from 88.8%. Starting in the first quarter of this year, we made improvements to our proactive detection technology and expanded automation to the Spanish, Arabic, and Indonesian languages. In the second quarter, we followed up by expanding automation to the English, Spanish, and Burmese languages, which helped us detect and remove more content. For more information, please visit <https://transparency.facebook.com/community-standards-enforcement/#hate-speech>.

We do not currently report these numbers on a country-specific basis, due to challenges of measuring data in this way. For example, bad actors often mask the country where they are located, which makes it almost impossible to accurately report where the person who posted the content was located. A piece of content may also be viewed across multiple locations, and therefore we cannot easily split content or proactive rate by consumer country (the country where the person who viewed the content was located).

**4. Does Facebook allow third party auditors to verify whether the company’s metrics for third-party advertising Return on Investment (ROI) are accurate?<sup>ii</sup>**

Yes. As a partner to over 9 million advertisers across a wide range of organizations and objectives, we want to provide transparency, choice, and accountability. We provide transparency through verified data that shows which ad campaigns drive measurable results, choice in how advertisers run campaigns across our platforms, and accountability through an audit and third-party verification.

We undertake significant work to ensure and verify the accuracy of the information we deliver to our partners, and we are now working with the Media Rating Council (“MRC”) to evaluate compliance with industry standards. We also work closely with marketers to understand their measurement needs on key topics such as reach, attribution, brand lift, offline sales, and

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<sup>i</sup> United Nations Office of the High Commissioner, Human Rights Council, *Report of the independent international fact-finding mission on Myanmar* (September 2018) [https://www.ohchr.org/Documents/HRBodies/HRCouncil/FFM-Myanmar/A\\_HRC\\_39\\_64.pdf](https://www.ohchr.org/Documents/HRBodies/HRCouncil/FFM-Myanmar/A_HRC_39_64.pdf) (“The role of social media is significant. Facebook has been a useful instrument for those seeking to spread hate, in a context where, for most users, Facebook is the Internet. Although improved in recent months, the response of Facebook has been slow and ineffective. The extent to which Facebook posts and messages have led to real-world discrimination and violence must be independently and thoroughly examined. The mission regrets that Facebook is unable to provide country-specific data about the spread of hate speech on its platform, which is imperative to assess the adequacy of its response.”)

<sup>ii</sup> Competition and Markets Authority, *Digital Advertising Services: Qualitative Research Report* (June 2020), [https://assets.publishing.service.gov.uk/media/5efb3fded3bf7f769d2695af/Digital\\_Advertising\\_Services\\_Research.pdf](https://assets.publishing.service.gov.uk/media/5efb3fded3bf7f769d2695af/Digital_Advertising_Services_Research.pdf) at 8 (Return on investment was seen as an issue by some respondents for both Facebook and Google. It was recognized that ROI was more difficult to calculate for display advertising, but some respondents mentioned that they needed to use third parties to help calculate it – and also that they felt both Facebook and Google’s own metrics tended to overstate their effectiveness.)

mobile app measurement. We now have over 30 global, third-party measurement partners so marketers can work with their preferred vendor.

## Questions from Representative Raskin

- 1. Please state any and all concessions Facebook has made to—or agreements it has made with—political organizations, news organizations, officials, or spokespersons to address perceived political or ideological bias on Facebook. Please identify all figures, operatives, leaders, businesspeople, journalists, former elected officials, and news organizations who have been named to Facebook’s board or employed by Facebook to address complaints of political or ideological bias at Facebook.**

Facebook is a platform for ideas across the political and ideological spectrum. Suppressing content on the basis of political viewpoint is directly contrary to Facebook’s mission and our business objectives.

In developing and iterating on our policies, we consult with outside academics and experts from across the political spectrum and around the world, and we provide in-depth examples and explanations of what policy changes would entail. As a matter of policy, we do not share the names of the groups we consult with for a number of reasons, including safety and security concerns—which are especially acute in places around the world where the government may exercise censorship or control—and the fact that groups may not want to be named.

We have engaged two outside advisors to conduct external reviews. We engaged former Senator Jon Kyl to advise the company on potential bias against conservative voices. We also asked Laura Murphy, a highly respected civil rights and civil liberties leader, to lead a civil rights audit of Facebook.

- 2. The United Nations recognizes that Holocaust denial and distortion are “generally motivated by strong anti-Semitism, and build on the claim that the Holocaust was invented or exaggerated as part of a plot to advance Jewish interests. That view perpetuates long-standing anti-Semitic prejudices and stereotypes, accusing Jews of conspiracy and world domination and of hateful charges that were instrumental in laying the groundwork for the Holocaust....”**

**Recent surveys by the Conference on Jewish Material Claims Against Germany have shown a spreading lack of knowledge about the history of the Holocaust, especially among younger generations. For example, over half the millennials in the U.S. cannot name a single Nazi concentration camp. This lack of knowledge, especially among young people, makes the dissemination of Holocaust distortion and denial through social media platforms like Facebook especially dangerous.**

**After bearing witness to the atrocities perpetrated during the Holocaust, survivors and their families now bear witness to the venom and lies spread on social media platforms. Holocaust deniers not only try to destroy historical memory of these atrocities but denigrate survivors and their families in asserting that they are perpetrating a “hoax” for financial gain, power, or some other purpose implicating classic antisemitic tropes.**

**Facebook has been alerted to the proliferation of Holocaust denial on its platform. Facebook has community standards which prohibit the dissemination of hate speech but has so far refused to classify Holocaust denial as hate speech.**

**(1) Will Facebook commit to removing Holocaust denial content and posts in the United States as it does in other countries?**

Anti-Semitism is abhorrent and has no place on our platform. Facebook removes any post that celebrates, defends, or attempts to justify the Holocaust. The same goes for any content that mocks Holocaust victims, accuses victims of lying about the atrocities, or advocates for violence against Jewish people in any way. In countries where Holocaust denial is against the law, such as Germany, France, and Poland, we will also take steps to restrict access in accordance with the law.

While we object to certain ideas expressed on Facebook, including those who deny facts about the Holocaust, we do not remove content from Facebook simply for being false. We recognize this means that sometimes people are permitted to post material that runs counter to historical and factual evidence.

However, what we do with that kind of content is work to prevent its spread, which has a significant effect on distribution in News Feed. We also remove from recommendations Groups and Pages that discuss Holocaust denial, and we remove references to Holocaust denial from predictions when people type into search.

We're also exploring ways to provide people with educational information about the Holocaust when they search for Holocaust denial material. This is one of the ways by which we want to help build a more informed community. We have also partnered with Yad Vashem on an online commemorative project for the victims of the Holocaust and sponsored events in Israel to help share the stories of Holocaust survivors.

We know many people strongly disagree with our position—and we respect that. It is really important for us to engage on these issues and to hear from people to understand their concerns. We have a team that is dedicated to developing and reviewing our policies, and we welcome collaboration with industry, experts, and other groups to ensure we are getting it right.

As part of this outreach, we have engaged with the Jewish Claims Conference and other organizations in the Jewish diaspora about our policies, and we agree that the perspective of survivors is important.

**(2) Will Mr. Zuckerberg commit to meeting with Holocaust survivors (virtually, for health and safety reasons) to discuss ways of resisting the obliteration of historical memory and understanding relating to the Holocaust?**

We agree that the perspective of survivors is important. We have partnered with Yad Vashem on an online commemorative project for the victims of the Holocaust and sponsored events in Israel to help share the stories of Holocaust survivors. We have a team that is dedicated

to developing and reviewing our policies and we welcome collaboration with industry, experts, and other groups to ensure we are getting it right.

## Questions from Representative Scanlon

- 1. For financial products and services advertised on Facebook’s platform, does Facebook currently employ algorithms or other technologies that limit or influence ad delivery to consumers on the basis of any demographic identified as protected classification under the Equal Credit Opportunity Act (ECOA) or the Fair Housing Act (FHA)?**

Discrimination and discriminatory advertising have no place on Facebook’s platform, and we remove such content as soon as we become aware of it.

Our policies have long prohibited discrimination, and we have made significant changes to help prevent advertisers from misusing our tools to discriminate in their ad targeting. As part of settlement agreements with civil rights organizations like the National Fair Housing Alliance (“NFHA”), and based on ongoing input from civil rights experts, we have taken the industry lead by changing the way advertisers may select the audience for housing, employment, and credit (“HEC”) ads. Specifically, we have eliminated the ability to target HEC ads based on age, gender, or zip code, and we have severely restricted the number of interest category targeting options available. We have expanded our enforcement of this process across all of the tools businesses use to buy ads on Facebook. Even before we made these changes, advertisers were prohibited from using any multicultural affinity interest segments, either for inclusion or exclusion, when running HEC ads.

We have also added a housing ad section in the Ad Library, so it is easy to search for and view US ads about housing opportunities. People can search for and view all active housing opportunity ads targeted at the US that started running—or were edited—on or after December 4, 2019, regardless of the advertiser’s intended audience. People are able to search the housing ad section by the name of the Page running an ad or the city or state to which the ad is targeted. This year, we will also include ads that offer employment or credit opportunities in the Ad Library. We are actively working with civil rights groups to inform our approach as we prepare to roll this out.

Concerns about bias and fairness in algorithms are important—not just for Facebook, but for the industry at large. We take this topic seriously, and we want to be a leader in this space. We have built and continue to expand teams that work on and study the potential for algorithmic bias. As part of the NFHA settlement, we have committed to engaging on and studying the topic of algorithmic fairness as it relates to our ad delivery systems, with input from the civil rights community, industry experts, and academics, which we have done and will continue to do. Our efforts to date include:

- Creating a series of “Design Jams” workshops through Facebook’s Trust Transparency and Control Labs initiative, in which stakeholders from industry, civil society, and academia focused on topics like algorithmic transparency and fairness both in the advertising context and more broadly. More such workshops are planned over the coming months.
- Conducting roundtable discussions and consultations with stakeholders on ways to advance both algorithmic fairness and privacy—given that many approaches to

measuring fairness in algorithms require collecting or estimating additional sensitive data about people, such as their race, which can raise privacy and other concerns. We are working to better understand expectations and recommendations in this area.

- 2. Explain what methods and efforts Facebook employs to facilitate an advertising platform that is compliant with federal and state anti-discrimination laws, and also provides a safe place for creditors and housing market participants to advertise their products in a manner consistent with these laws.**

Please see the response to your Question 1.

- 3. Can any advertiser of financial products and services market on Facebook with the assistance of an algorithm that never utilizes a protected class variable under ECOA or FHA in the delivery process?**

Please see the response to your Question 1.

- 4. What actions has Facebook taken in response to the allegation set forth in Paragraph 11 of HUD's complaint against Facebook indicating that ads for housing and housing related services are shown to large audiences that are severely biased based on characteristics protected by the FHA?**

Please see the response to your Question 1.

- 5. What information and data do you have to sufficiently demonstrate how Facebook's advertising platform does not suppress advertisements related to credit products or housing-related services on the basis of age, gender, or any other protected class under the ECOA or FHA.**

Please see the response to your Question 1.