FACEBOOK, INC. Moderator: Tom Reynolds 07-31-18/10:00 a.m. PT Confirmation # 1697787 Page 1

FACEBOOK, INC.

Moderator: Tom Reynolds July 31, 2018 10:00 a.m. PT

FINAL TEXT

OPERATOR: This is Conference # 1697787

Operator: Thank you everyone for joining Facebook's press briefing call today. I will turn the call over to Tom Reynolds to get started.

Tom Reynolds: Thanks, (Julie), and thanks everyone for joining us today. I'm Tom Reynolds from Facebook's communications team. Today, we wanted to discuss some developments related to a group of profiles, pages, and accounts that violated our policy against coordinated, inauthentic behavior.

Joining the call today, we have Sheryl Sandberg, Facebook's chief operating officer, Nathaniel Gleicher, head of cybersecurity policy at the company, and Alex Stamos, Facebook's chief security officer.

We expect a good deal of interest on this topic today and we want to make sure people have a chance to hear from our subject matter experts about it, so I'd please ask you to keep your questions related to today's topic so we can cover as much ground as possible.

Lastly, a reminder of some ground rules. The call is on the record and it is embargoed until the call concludes. With that, I'll turn it over to Sheryl to get it started. Sheryl Sandberg: Thanks everyone for joining today. As we discussed at our June press briefing, we're committed to being more transparent about what's happening on Facebook, how we enforce our policies, and the improvements we are making to better protect people.

> We want to let you know that earlier this morning, we've removed 32 pages and accounts from Facebook and Instagram because they were involved and coordinated inauthentic behavior.

This kind of behavior is not allowed on Facebook because we don't want organizations or individuals creating networks of accounts that mislead people about who they are or what they're doing. We're still in a very early stage of our investigation and we don't have all the facts, including who may be behind this.

We're sharing what we know today because of the connection between these bad actors and an event planned in Washington next week, which Nathaniel will explain in more detail in a moment.

We disabled the event and later today, we'll begin informing who were interested in the event or said they'd attend.

It's clear that whoever set up these accounts went to much greater lengths to obscure their true identities than the Russian -based, Internet Research Agency, IRA, did in the run up to the 2016 U.S. presidential election.

Security is an arms race and it's never done. We've made it harder for inauthentic actors to operate on Facebook, yet we face determined, well-funded adversaries who won't give up and who are constantly changing tactics. That means we need to continually improve as well.

We're investing heavily in security so we can find and address these kind of threats. We've improved our AI so that we can more effectively detect and block fake accounts. We now demote fake news and we've introduced greater accountability for advertisers and page administrators.

We're also working much more closely with law enforcement, other tech companies, and research organizations like the Atlantic Council to better understand the threats we face so we can take action to address them. And now, I'll hand it over the Nathaniel to walk you through more details.

Nathaniel Gleicher: Hi everyone, I'm Nathaniel Gleicher, head of cybersecurity policy here at Facebook. Relating to the approximately 32 assets Sheryl mentioned, we discovered 8 pages.

More than 290,000 accounts followed at least one of these pages, the earliest of which was created in March, 2017. The latest was created in May, 2018.

The most followed Facebook pages were, Aztlan Warriors, Black Elevation, Mindful Being, and Resisters. The remaining pages had between 0 and 10 followers, and the Instagram accounts had 0 followers. There were more than 9,500 organic posts created by these accounts on Facebook, and one piece of content on Instagram.

During our investigation, we determined that some of the activity from these accounts and pages is consistent with what we've seen from the IRA and we discovered that some of the accounts and pages had been connected with known IRA accounts at some point.

But there are differences too. For example, while IP addresses are easy spoof, the IRA accounts we disabled last year sometimes used Russian IP addresses. We haven't seen those here.

So at this point in our investigation, we do not have enough technical evidence to state definitively who is behind this, but we can say that these accounts engaged in some similar activity and have connected with known IRA accounts.

As Sheryl mentioned, one of the pages named Resisters, created a Facebook event for a protest on August 10 through 12 and enlisted support from real people. The event called No Unite the Right 2, D.C. was scheduled to protest a Unite the Right event in Washington. Inauthentic admins of the Resisters page connected with real admin from five legitimate pages to co-host the event. These legitimate pages helped build interest in No Unite the Right 2, D.C., and posted information about transportation, materials and locations so people could get to the protest.

We disabled the event earlier today and reached out to the legitimate admins of the five other pages to update them on what has happened.

As we've developed this investigation, we've been working closely with law enforcement and have briefed lawmakers on what we've found. Our team has determined these actors have gone to greater lengths than those we've seen before to conceal their identity and origin.

For example, they use VPNs and internet phone services to hide their identity and paid third parties to run ads on their behalf.

As we and outside experts have repeatedly notice – have repeatedly noted, the adversaries we've identified in the past will keep getting better, relying on new playbooks, tactics, and techniques.

We're following up on thousands of these, including information from law enforcement and lessons we've learned from last year's IRA investigation.

That's why we've made the investments that Sheryl detailed as well as increased our collaboration with other technology companies and created new partnerships with groups like the Atlantic Council and their digital forensics lab, with whom we've shared public information and content relating to these activities so they can help use that to better understand and analyze these actors and efforts.

Let me now hand it over to Alex to say more about how we approach the particular challenge of attribution and how much companies can know about who's actually behind cyber threats.

Alex Stamos:Thanks, Nathaniel. Good morning everyone, I'm Alex Stamos, the ChiefSecurity Officer of Facebook.As you've heard, we don't know for sure

who's behind the activity we found, which is why we have not named a specific group or country.

Given that last year we said that the Russia-based Internet Researched Agency, or IRA, was behind much of the abuse we found around the 2016 election. I wanted to explain how we think about making these determinations.

Deciding when and how to publicly link suspicious activity to a specific organization, government or individual is a significant challenge.

This work has traditionally fallen to intelligence agencies that have more information and detailed guidelines to help them share their findings with policy makers and the public.

We have relatively limited information about things (that) taking place beyond our services. But as we get more involved in detecting and investigating this kind of excuse, we have a growing need for clear and consistent ways to confront and communicate about these issues.

I've just posted to our newsroom with some more detail about how we think about this complex topic. I encourage you to read the whole piece, but briefly I'd like to describe a rough model for approaching attribution of threat actors and how companies can talk about what they know and don't know.

Importantly, companies like ours don't have the necessary information to evaluate the relationship between political motivations that we infer about an adversary and the political goals of a nation state.

As a result, we don't think it's appropriate for Facebook to give public commentary about the public motivations of nation states. We're usually though in a better position to talk about our knowledge of tools, techniques, and procedures or about our technical forensics.

And that's because we observe these directly in our investigation. That said, this evidence alone isn't always enough to provide firm attribution to a specific group or actor.

That brings us back to today's note. As Nathaniel mentioned, we have found evidence of connections between these accounts and previously identified IRA accounts. And some of the tools, techniques, and procedures, of this actor, are consistent with those we saw from the IRA in 2016 and '17.

But we don't believe this evidence or our technical forensics are strong enough at this time to provide public attribution to the IRA, or to any other specific group.

The set of actors we see now is doing a lot more to conceal their identities than what the IRA was doing around the 2016 election, which is expected.

And we can't say for sure whether this is the IRA with improved capabilities or a separate group based upon what we know today. We recognize the importance of sharing our best assessment of attribution with the public and with federal officials.

And despite the challenges, we intend to continue our work to find and stop this behavior and to publish our results responsibly. With that, let me turn it back to Tom.

- Tom Reynolds: Thanks, Alex. We're now going to take Q&A. As I mentioned, I'm sure there's a lot of interest on this topic, so we'd as that we maximize our subject matter experts' time and stick to the topic at hand. With that, operator, do you want to walk us through the Q&A process?
- Operator: We will now open the line for questions. Please limit yourself to one question per person. To ask a question, press "star" followed by the number "one." Your first question comes from Jo Ling Kent with NBC News. Please go ahead.
- Jo Ling Kent: Hi, everyone. Thanks so much for doing this call with us today. My question is, overall, as you take the specific evidence of these pages and accounts, what can you say in terms of the overall attempt to influence the 2018 midterm elections going forward -- not necessarily by Russia or a specific nation-state -- but the current attempts on the Facebook platform right now as it stands

based on the evidence that you're sharing with us today? Is it more than 2016, the same, less, or something else? Thank you.

Alex Stamos: As we said on the call last week, we expect to find activity focused on the midterms as our investigations continue and we'll report to you as we find that. This content is focused on a range of activities and we're here to focus on that today.

Operator: Your next question comes from Elizabeth Dwoskin with Washington Post. Please go ahead.

Elizabeth Dwoskin: Hey, guys. Thanks for doing the call. You said that there was evidence of connection between these accounts and previous IRA accounts. Can you elaborate on what that connection was? And also, I just want to clarify that none of the accounts that you found mentioned a candidate?

Alex Stamos: Hi, Liz. It's Alex. On the connection, what we saw was a situation in which a known IRA account was a co-admin of a page with one of the accounts in this group.

In this situation, we think that is interesting but not determinative, which is why we wanted to publish our findings while not reliant upon that specifically to do attribution.

Nathaniel Gleicher: And I think an important detail there is that the account was a co-admin for about seven minutes, so it was a very brief time.

Elizabeth Dwoskin: OK.

- Operator: Your next question comes from Donie O'Sullivan from CNN News. Please go ahead.
- Donie O'Sullivan: Hey, guys. Nice work on catching this network of pages. You mentioned that a third party was used to (place ads). Can you give us some more details on that?
- Nathaniel Gleicher: We can't go into the details on the investigation at this point. Things are still very early so we're continuing to work on that.

- Operator: Your next question comes from Kevin Roose with New York Times. Kevin, your line is open.
- Kevin Roose: Can you tell us about some of the smaller pages that you've found. I know you detailed the bigger ones that (we) reported and we're hearing that there was an Abolish ICE part of this and possibly some other issues. Could you just go into some of the long tail pages that you found?
- Nathaniel Gleicher: So we're actually -- when we put up additional information about this shortly, we will have some samples of the content so people will be able to review it.

Also, I think, one of the things we've wanted to do is to make sure that this type of content, there's more transparency around it and more opportunities for people to be able to see it.

One of the challenges we've had is that we are concerned because the individuals who RSVP or were interested in this event, if we didn't take it down and if we shared it directly, they might have a lot of attention put on them and there could be sort of privacy implications for them.

So one of the ways we're trying to make sure that people can see more of this long (tail) and understand it better is we've shared this public content – that we've shared the page names with the Atlanta Council so that they can conduct initial analysis and when they do that analysis, people will be able to understand better what's at play here but they will also be able to make sure that the privacy of those individuals is protected.

And to your question, because you mentioned (Abolish ICE), I just wanted to say there were several mentions of ICE in the material that we took down today for coordinating authentic behavior, and that includes one event that was protesting ICE.

We'd expect these types of coordinated actors to engage in popular social movements like that, but at this point, as I said, because we aren't specifically

attributing who has engaged, who the actor is here, that's what we understand so far about the engagement with ICE.

Operator: Joseph Menn from Reuters. Please go ahead.

Joseph Menn: Hi, thanks. Were all of the real-world events that were being promoted, antiright wing? Anti-ICE? Anti-government? Or were there any that were supportive of the government or the right-wing or against the left?

- Nathaniel Gleicher: We're not characterizing the broad nature of the content at this point, as I said. There will be samples included when we put out the information later today, and, again, that's exactly why we wanted to share this with the Atlanta Council so that there could be additional analysis.
- Operator: Rebecca Jarvis with ABC News. Please go ahead.

Rebecca Jarvis: Thank you. So, you mentioned the co-admins on the accounts and some of those were IRA accounts. Were any of them non-IRA accounts and in reaching out to the co-admins today, what kind of feedback have you received?

Nathaniel Gleicher: So the co-admins on these pages. There were a number of both authentic and inauthentic co-admins on these pages.

As we mentioned earlier when talking about connections with known IRA assets, there was only one known IRA account that was a co-admin on one of these pages and that was just for about 7 minutes.

It was a brief period of time. As to what we've learned from other people we reached out to, we are not commenting on that at this point. We want them to sort of understand and have time to think through what we've learned.

Operator: Ashley Gold with Politico. Please go ahead.

Ashley Gold: Hi, (inaudible) this misinformation campaign on the Kremlin in a statement he put out. What's your reaction to that? Do you know why he is able to definitively blame the Kremlin here and what would you say to that?

- Tom Reynolds: Hey, Ashley, it's Tom. Operator, don't can you give Ashley a chance to repeat the question? You broke up a little bit at the first half.
- Ashley Gold: Sorry about that. I wanted to ask about Senator Warner's statement he just put out there that he is blaming this directly on the Kremlin and is pinning it on them without, kind of, talking around it. Do you have a reaction to that?
- Nathaniel Gleicher: So, I haven't seen the statement. We've this is we briefed law enforcement and we briefed the intelligence committee so that they can sort of make those sorts of (assess).
- Alex Stamos: At this time, we are not attributing this activity to any specific group or to any country behind that group. As we say in the blog post, we have provided our detailed technical evidence to law enforcement, incase they want to make an attribution with the data that they have.
- Operator: Julia Boorstin from CNBC. Please go ahead.
- Julia Boorstin: Hello, thanks so much for doing this call. A question for Sheryl, it sounds like these bad actors were so much more complex in their efforts to disguise themselves.

How does what you discovered here change your outlook in terms of how hard it's going to be to fight this kind of situation going forward?

Does this you make think that are many more of the situations yet to be uncovered, that you're going to need to have to send more money or hire more people to tackle this type of thing? How does this revelation change your perspective?

Sheryl Sandberg: Well, we know and we've always known and everyone who works in security knows that security's an arms race. We're glad that we were able to find this.

We always know that our adversaries are going to get better and we're going to have to get better, and we're going to continue to invest really heavily so that we can find things and share the information as we find it, as we're doing today. Alex Stamos: We should not assume that increased complexity in attributing actors means that we're not going to be able to stop this activity.

And that's why we have built these new systems, processes, teams of people to find and take down coordinated inauthentic behavior.

In situations where we have the ability to attribute that, we are going to be honest and transparent about it, but that is not necessary for us to actually find and stop this behavior.

Operator: Ali Breland with The Hill. Please go ahead.

Ali Breland: Hello, thank you. So, it seems like these kinds of things are like an inevitable conclusion of like the way that Facebook's platform functions, like people will inevitably be able to abuse it, even as you guys get better.

At like what point will these sorts of abuses force you guys to reconsider potentially reviewing promotions and paid for advertisings – paid for advertisements before they go out, as opposed to handling them ex post facto, at least until your algorithms, which are supposed proactively handle these things, become more hermetic?

- Nathaniel Gleicher: That's a good question. I think one of the things that relevant here, when we look at the advertising that these actors engaged, from what we can see, they attempted to run one ad after our ads tool was in place. That ad did not run, and they made no further attempts.
- Operator: Hannah Kuchler with Financial Times. Please go ahead.
- Hannah Kuchler: Hello. Have any of the other events actually taken place?
- Nathaniel Gleicher: Yes. So there have been 30 events total that were posts that were created actors in this set, and the others have taken place over the past year or so.

Operator: (Fiona Brown). Please go ahead.

Kurt Wagner:Hey, this is actually Kurt Wagner with Recode. Two things. One, youmentioned there is a known IRA account. Why is there a known IRA account

on Facebook to begin with, and then can you elaborate a little bit more about you're able to detect this stuff?

Like, is this something that we were looking for at this time around or do you attribute the success to some of the changes you've made in the last 18 months?

Nathaniel Gleicher: So to clarify, the known IRA account was a co-admin on one of these pages for seven minutes before they were removed from Facebook, so this back some time ago.

To your broader question, our ability to detect this was a result of ongoing investigations that our team is doing following up on a range of leads including things that we've learned from the takedown of the IRA previously, additional insights we've developed and leads that we've been proved and collaboration with law enforcement.

- Operator: Sarah Frier from Bloomberg News, please go ahead.
- Sarah Frier: Can you give any more information about the 30 events that took place over the past year, anything you know about that? And then also wondering if you feel that your relationship with the government has improved in terms of coordinating on these discoveries?
- Nathaniel Gleicher: We think that -- so we're really appreciative for the assistance that law enforcement was able to give us in the course of this investigation. That kind of collaboration is what helps us identify and take action against this type of activity.

As for the particular content, we're -- this investigation is still ongoing and we're not characterizing the nature of the content at this point -- that's partly why we're going to have samples for everyone to review when the post comes out and why we've shared this additional information with the Atlantic Council.

Operator: Andrew Kozak from NBC News, please go ahead.

Mike Cappetta: Hey, this is actually Mike Cappetta from NBC News. My question is for Ms. Sandberg as a follow up to Jo Ling Kent's question earlier. The issues on the pages with the account and the event that were taken down is currently being hotly contested in the midterm election.

> Do you have any sense that they are attempting to influence the midterms or is there something larger that's happening sowing discord, et cetera?

Sheryl Sandberg: Yes, we -- and we've answered this question; Nathaniel will answer it again.

It's still very early. We're always concerned with inauthentic activity on our platform but we're not in a position to give color on what's happening as we continue our investigation and we need to learn more.

As we said this is an early stage for us to sharing this information because we don't have perfect information and we're going -- we're sharing this today because of the timing of the event that was planned for Washington.

- Nathaniel Gleicher: And to your question -- and in addition -- I mean, this is particularly why we've shared this with law enforcement. They'll be able to access this additional information; we've shared it with the intelligence committee so that they can do that analysis.
- Tom Reynolds: Operator, this is Tom. We're going to have time for two more questions.
- Operator: (Yamiche Alcindor) from PBS, please go ahead.
- (Yamiche Alcindor): Hi, thanks for taking my question. Do you -- I have two quick ones, which is, what's the timeline, if at all, for when you might be able to identify which country, possibly Russia, is behind this?

And how long on average does a page stay -- does a page stay up before it's identified as inauthentic?

I know you said that it's started -- there was a -- there was an earlier one in 2017 and the latest one in 2018 -- but I'm wondering what -- how long pages are able to stay up on average before they're taken down?

Alex Stamos: On the attribution question, we -- in these situations, it is possible that we will never have good attribution to a specific group or country. As we said, that is not a necessary part of the -- of us understanding and stopping this kind of behavior.

In this situation we have shared our technical details with law enforcement and we believe law enforcement and the intelligence community will have a lot more data upon which they can draw and if they want to make an attribution decision, that's up to them.

If we do come into contact with information that gives us the ability to affirm attribution, then we will update but that is not a foregone conclusion.

- Tom Reynolds: Operator, this is going to be our last question.
- Operator: David McCabe with Axios, please go ahead.
- David McCabe. Hi, all. I just wanted to clarify, you said of the 30 or so events, all but one -the one -- the one on the one around Unite the Right had occurred, you said, occurred -- do you mean that Facebook has done any investigations into whether or not the events actually took place in person, that people showed up, or just that they have passed in time?
- Nathaniel Gleicher: They were -- to be clear, there are two events that haven't occurred yet. There is this immediate -- the event that was the primary driver for our action here which is set for August 10th and then there was another event not set until January 1st.

The previous events, we can assess what happened on Facebook; we can't assess what happened in the real world -- the external world.

Tom Reynolds: Thanks, operator. Let me thank all of our speakers and everyone that joined us today. You can reach out to us with any follow-ups at press@fb.com.

And as we have in the past, we'll move as quickly as we can to post a transcript of the call and the Q&A in to the Newsroom. Thanks again for joining us and we'll talk to you soon.

Operator: This concludes today's conference call. You may now disconnect.

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