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EXHIBIT 78

Instagram Youth Well-being Assurance Audit - Phase 2 Audit Report

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September, 2023

Assurance Audit provides an objective and independent evaluation of the design and operating effectiveness of internal controls.



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EXECUTIVE SUMMARY

Objective:

Instagram (IG) leadership has publicly committed¹ to raising the standards for protecting teens online. As part of this work, in 2021 and 2022, IG announced stricter privacy and safety default settings for teens, and added messaging restrictions on IG Direct (IGD) to protect teens against unwanted contact from adults.

In Q4 2022, Internal Audit (IA) performed the IG Youth Well-being Phase 1 Assurance Audit, which focused on content integrity for teens and interaction restriction controls between teens and potential violators. In Phase 2, we assessed the design and operating effectiveness of the key controls related to IG teen default restrictive settings, and IGD private messaging restrictions between adults and teens. In addition, IA performed remediation validations on the open observations² that were identified in the Phase 1 audit.

Scope:

IA independently assessed the design and operating effectiveness of the key controls implemented for the following 3 scope areas:

- **IG Teen Default Restrictive Settings:** IG pre-selects the most restrictive and private settings for teens (e.g., private account by default, contact information not requested by default during conversion to business account).
- **IGD Private Messaging Restrictions:** Unconnected adults³ are limited from initiating 1:1 private messages with teens, or adding them to private group messages. Teens are limited from initiating 1:1 messages with High Risk Adults⁴ that they do not follow.
- **Phase 1 Audit Observations:** 15 open observations from Phase 1 audit, as summarized in Appendix I.

Results Summary: Significant Improvements Needed

Based on the testing completed as of 7/31/2023, the teen default settings for Private by Default (PBD), Sensitive Content Control (SCC), Tag, Guide, Reels Remix and Mention (TGRM) were operating effectively and management has remediated all the observations from the Phase 1 audit. For other default settings and IGD restrictions, IA identified 8 High risk and 1 Low risk observations. Based on the overall effectiveness of controls for in-scope areas, an “Orange” rating is assigned to this report. The results and observation ratings in this report are based on the design and operating effectiveness of internal controls only.

Key observation themes are summarized below:

- Inconsistent suppression on data collection of contact information for teens during the business account conversion; Lack of suppression on data collection for users with unknown age
- Inaccurate and insufficient implementation of restrictive privacy default setting on Website Embeds⁵ for teens
- Inconsistent 1:1 and group messaging restrictions between teens and unconnected adults, including High Risk Adults

1. IG Blog Posts on 3/17/2021 and 12/7/2021. Teen (often used interchangeably with “youth”) is generally defined as a user over 13 years old and under 18 years old. The definition may vary based on product features and demographics.

2. Observations and Management Action Plans closed before March 15, 2023 were independently validated and deemed complete in IA's standard issue tracking process; therefore were excluded from this audit.

3. Unconnected means the recipient does not follow the sender, and they have not messaged each other previously. Also, young adults (18-20) are able to initiate 1:1 messaging with unconnected teens in close age proximity (i.e., the age gap is equal to or less than 3 years).

4. High Risk Adults are adults that have suspicious behavioral patterns (e.g., Negative user feedback such as reports and blocks).

5. The Website Embeds is an IG product feature that allows a content (e.g., post, reel) or profile of a public IG account to be shared by third-party website outside of IG (e.g., blogs and articles) using an embed code.

DETAILED RESULTS AND MANAGEMENT ACTION PLANS

#	Business Area	Observation/Risk Description	Rating	Management Action Plan	Due Date	Owner(s)
1	IG Teen Default Restrictive Settings: Business Account Conversion	Inconsistent Suppression on Data Collection for Teen Users The IG Small and Medium Business (SMB) Growth team does not always suppress the prompt for teens to enter contact information during the conversion to a business account. As a result, teens' contact information may be collected and displayed as public information, which may not fully meet Meta's external commitment*. For example, during the period from 6/8/2023 to 7/9/2023, IA observed that out of 995K business account conversion for teens, 13K (1.3%) were prompted to enter contact information during the conversion flow. * As a regulatory response in 2021, Meta made an external commitment that teen users who convert to a business account should not have the option to input contact information within the conversion flow.	High	The Instagram SMB Growth team will: 1. Investigate the leakage to identify the root cause of discrepancy for teen accounts at the time of conversion to a business account. 2. Implement remediation to prevent the "edit contact information" prompt from appearing for teen accounts at the time of conversion to a business account.	1. 10/31/2023 2. 11/30/2023[†]	[REDACTED] (Software Engineer, IG SMB Business Growth) [REDACTED] (Director, IG Core Ads Engineering)

[†] Based on the ongoing regulatory inquiry on the teen business accounts, the IG Product Counsel indicated [REDACTED] PRIV Due to the dependency of Legal decision and the complexity of identifying the root cause, the IG SMB Business Growth team and the IG Product Counsel have requested [REDACTED] PRIV

DETAILED RESULTS AND MANAGEMENT ACTION PLANS

#	Business Area	Observation/Risk Description	Rating	Management Action Plan	Due Date	Owner(s)
2	IG Teen Default Restrictive Settings: Business Account Conversion	Lack of Suppression on Data Collection for Users with Unknown Age The IG SMB Growth team does not suppress the prompt to collect contact information when the users' age data is unavailable during the conversion to a business account. As a result, if the user is a teen, their information may be collected and displayed as public information, which may not fully meet Meta's external commitment.	High	The IG SMB Growth team will incorporate logic for the IG business account conversion flow to prevent the "edit contact information" prompt from appearing for accounts with missing age or where age data cannot be retrieved at the time of conversion.	10/15/2023	 (Software Engineer, IG SMB Business Growth) (Director, IG Core Ads Engineering)

DETAILED RESULTS AND MANAGEMENT ACTION PLANS

#	Business Area	Observation/Risk Description	Rating	Management Action Plan	Due Date	Owner(s)
3	IG Teen Default Restrictive Settings: Website Embeds* - U.S.	Inaccurate Implementation of Age Criteria for U.S. Teen's Default Privacy Setting The IG Growth Acquisition team does not default to the more restrictive privacy setting of "opt-out" on Website Embeds for 16 and 17 years old U.S. teen public accounts, as required in the Launch Manager (LaMa). As a result, teens' posts and profiles may be publicly displayed outside the IG app.	High	The IG Growth Acquisition team will: 1. Review the age band difference between LaMa and current implementation, determine the logic based on current risk assessment and obtain cross-functional (XFN) approval. 2. Implement required changes based on the approval.	1. 10/31/2023 2. 11/30/2023†	 (Product Manager, IG Growth Product) (Software Engineering Manager, IG Growth Acquisition) (Director, Product Management, IG Communities)

* The Website Embeds is an IG product feature that allows a content (e.g., post, reel) or profile of a public IG account to be shared by third-party website outside of IG (e.g., blogs and articles) using an embed code. Website Embeds allow the user's profile or content to be shared along with their username and a link to their Instagram profile.

† Due to the dependency on the XFN collaboration, the IG Growth Acquisition team has requested a 30-day extension to IA's standard 60-day remediation guideline for High risk observations.

DETAILED RESULTS AND MANAGEMENT ACTION PLANS

#	Business Area	Observation/Risk Description	Rating	Management Action Plan	Due Date	Owner(s)
4	IG Teen Default Restrictive Settings: Website Embeds - U.S.	Ineffective Implementation of U.S. Teen Default Privacy Setting The IG Growth Acquisition team does not always default to the more restrictive privacy setting of “opt-out” on Website Embeds for the U.S. teen public accounts under 16 years old. As a result, teens’ posts and profiles may be publicly displayed outside the IG app. For example, IA observed that out of 564K U.S. under 16 public accounts registered in May 2023, 43.7% (246K) were not pre-selected to “opt-out”.	High	The IG Growth Acquisition team will: 1. Identify the root cause for the discrepancy in the “opt-out” default for Website Embeds. 2. Implement remediation to always pre-select Website Embeds to “opt-out” for intended users. 3. Establish monitoring to track effectiveness of “opt-out” as default for Website Embeds setting and set up automated alerts to notify oncall in case of anomalies.	1. 10/31/2023 2 & 3. 12/31/2023[†]	[REDACTED] (Product Manager, IG Growth Product) [REDACTED] (Software Engineering Manager, IG Growth Acquisition) [REDACTED] (Director Product Management, IG Communities)

† Due to the dependency on XFN collaboration and the product decision made on observation #3, the IG Growth Acquisition team has requested a 60-day extension to IA’s standard 60-day remediation guideline for High risk observations.

DETAILED RESULTS AND MANAGEMENT ACTION PLANS

#	Business Area	Observation/Risk Description	Rating	Management Action Plan	Due Date	Owner(s)
5	IG Teen Default Restrictive Settings:	Lack of Privacy Setting and Restrictive Default for Non-U.S. Teens The IG Growth Acquisition team does not provide the privacy setting and does not default to the more restrictive setting of “opt-out” on Website Embeds for non-U.S. teen public accounts. As a result, non-U.S. teen public accounts cannot control whether their content and profiles are displayed outside of IG, and do not have the most restrictive default setting.	High	The IG Growth Acquisition team will: 1. Determine if the Website Embeds setting and teen default should be rolled out to non-U.S. teens. Document the decision and rationale in the LaMa tool. 2. Based on #1 implement decision made in the LaMa tool.	1. 10/31/2023 2. 12/31/2023†	(Product Manager, IG Growth Product) (Software Engineering Manager, IG Growth Acquisition) (Director, Product Management, IG Communities)

† Due to the dependency on the XFN collaboration and the complexity of global roll-out, the IG Growth Acquisition team has requested a 60-day extension to IA's standard 60-day remediation guideline for High risk observations.

DETAILED RESULTS AND MANAGEMENT ACTION PLANS

#	Business Area	Observation/Risk Description	Rating	Management Action Plan	Due Date	Owner(s)
6	IGD Private Messaging Restrictions: 1:1 Messaging	Inconsistent Private Messaging Restriction Between Teens and Unconnected Adults*	High	The Messenger Well-being team will:	1. 9/30/2023	 (Product Manager, Well-being XFN Team)
		The Messenger Well-being team does not always prevent unconnected adults from initiating a 1:1 thread with teens on IGD. As a result, teens may be exposed to unsolicited contact from unknown adults, which may not fully meet Meta's external commitment**.		1. Establish thread initiation event-level logging and perform analysis to determine the effectiveness in unconnected adult - teen intervention in 1:1 threads.	2. 10/31/2023	 (Software Engineer, MWB Foundations - Support & Care)
		For example, on 6/10/2023, IA observed that out of 2.7M new threads initiated by an adult with a teen globally, 238K (9%) were from unconnected adults.		2. Implement remediation to prevent the unconnected adults from initiating 1:1 threads with the teens.	3. 11/30/2023†	
		** Meta made an external commitment in the IG Blog Post on 3/17/2021 that unconnected adults cannot initiate a private 1:1 message with a teen on IGD.		3. Establish monitoring to track adult-side 1:1 messaging effectiveness and set up automated alerts to notify oncall in case of anomalies.		 (Engineering Director, Trust ENG Leadership)

* Adults included in IGD messaging restriction testing are above 21 years old, including high risk adults.
† Due to the dependency on the XFN collaboration and the complexity of the investigation, the IG Messenger Well-being team has requested a 30-day extension to IA's standard 60-day remediation guideline for High risk observations.