

The Electoral Commission
3 Bunhill Row
London EC1Y 8YZ



For the attention of: Ms Edwards, Head of Regulation

14 May 2018

Dear Ms Edwards

RE: Investigation in respect of Vote Leave Limited, Mr Darren Grimes and Veterans for Britain - Request for information from Facebook Ireland Limited

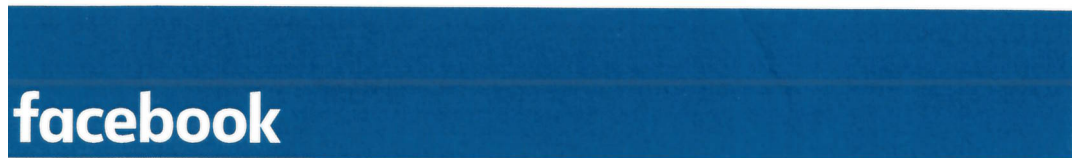
Thank you for your letter of 26 April 2018 regarding your investigation into aspects of the 2016 referendum on the UK's membership of the EU (the "UK 2016 EU Referendum"). Facebook Ireland Limited ("Facebook Ireland") is willing to provide the information that you have requested on a confidential basis. Please note that this information has been obtained as part of an on-going investigation regarding certain activities of Aggregate IQ ("AIQ") and other entities on our platform, and represents the information we have on these matters as of today's date. We will keep you updated should any further relevant information to your questions be obtained as our investigation progresses.

Details of spending by AIQ on behalf of Vote Leave, Mr Darren Grimes, BeLeave and Veterans for Britain

By way of context, AIQ has incurred a total of approximately US\$3.5 million on Facebook advertising, which it purchased between October 2014 and February 2018. Approximately US\$2 million of that spending appears to be associated with the UK 2016 EU Referendum.

We provide below the information requested in questions 1 and 2 in your letter. Generally speaking, advertising on Facebook is linked to Facebook pages rather than individual users, and so we have provided the ad spend by Facebook page connected to the relevant campaigns and individuals. With regard to your request relating to Mr Grimes, we can confirm that he was an administrator of the BeLeave page, the figures for which are included in the table below. In total, AIQ ran 1,398 ads on behalf of these pages between 15 February 2016 and 23 June 2016 (inclusive). These break down as follows:

Page	Number of Ads Run	Approx. spend (USD)	Dates of spend
Vote Leave	1,234	\$1,619,890	15 April 2016 – 23 June 2016
BeLeave	120	\$328,741	16 June 2016 – 23 June 2016
Veterans for Britain	4	\$51,518	21 June 2016 – 23 June 2016
DUP Vote to Leave	40	\$32,711	21 June 2016 – 23 June 2016



Registered Office: Facebook Ireland Limited
4 Grand Canal Square
Grand Canal Harbour Dublin 2

Registered in Ireland as a private listed company
Directors: Gareth Lambie, Shane Crehan, Yvonne Cunnane

With regarding to your request as to how the costs of Facebook ads are calculated, we refer you to the information at the following links:

- <https://www.facebook.com/business/learn/how-much-facebook-ads-cost>
- <https://www.facebook.com/business/help/201828586525529>

Custom Audience lists used for Vote Leave and BeLeave

To answer question 3 in your letter regarding which Custom Audiences were used by both Vote Leave and BeLeave, we should first start by providing some context on what Custom Audiences are and how they are used on our platform. Three uses are relevant here:

- **Data File Custom Audiences:** this enables advertisers to reach existing customers on Facebook using information those advertisers already hold, e.g. because their customers have previously given their email addresses to the advertiser. Advertisers upload a list of contact information that they hold for their customers, like email addresses or phone numbers, and Facebook is then able to deliver their ad to those customers if they are Facebook users.

Data File Custom Audiences can also be used in the opposite way, i.e. to *exclude* Facebook users from their ads targeting. For example, if an advertiser wants to ensure they are only showing ads to users who are *not* already existing customers, they can upload a list of existing contacts and Facebook will then ensure that Facebook users in that list are not targeted with the relevant ad. Further information regarding the manner in which this tool operates can be found here:

<https://www.facebook.com/business/help/112061095610075>

- **Website Custom Audiences:** this enables advertisers to target people on Facebook that have visited their website, through use of the Facebook pixel¹. Again this tool can also be used to *exclude* people who have already visited an advertiser's website from seeing a particular ad, if that is the advertisers' preference. Further information on this tool can be found here:

<https://www.facebook.com/business/help/610516375684216>

- **Lookalike Audiences:** this enables advertisers to reach new people on Facebook who are likely to be interested in their business because they're similar to their existing customers. One way of creating a Lookalike Audience is to upload a contact list of existing customers (i.e. the same action used to create a Data File Custom Audience) and then Facebook finds people who are similar (or "look like") the Facebook users in that contact list. Further information on this tool can be found here:

<https://www.facebook.com/business/help/164749007013531>

¹ <https://www.facebook.com/business/help/742478679120153>

AIQ appears to have run ads – i.e. incurred spend on our platform – with a total of 21 Custom Audiences on behalf of Vote Leave and BeLeave between 15 February 2016 and 23 June 2016 (inclusive). These break down as follows²:

- Vote Leave: 19 (11 Lookalike; 4 Data File; 4 Website)
- BeLeave: 2 (both Lookalike)

Additionally, our investigations to date have found there was one Data File Custom Audience, one Website Custom Audience, and one Lookalike Audience that were used to select targeting criteria for potential ads during this period by both the Vote Leave and BeLeave pages. They were the exact same audiences, i.e. one was not a subset of the other. In each case, the relevant campaign's Page actively selected targeting criteria for an ad using at least one of these common audiences; however our investigations indicate that the Pages did not always then choose to go on and run the ads on our platform after targeting was selected, meaning there was not always spend or impressions resulting from those ads.

The common audiences we found were as follows:

- The first audience was a Data File Custom Audience named "50million_remains".
- The second audience was a Lookalike Audience named "Lookalike (GB, 10%) - 50million_remains".
- The third audience was a Website Custom Audience named "Vote Leave Instapage Submissions". This Website Custom Audience was created based on visitors to pages under the domain: <http://www.voteleavetakecontrol.org>

BeLeave created 16 ads with targeting criteria using one or more of these three common audiences, all of which appears to have taken place on 15 June 2016. It appears that BeLeave did not then choose to run any of these ads.

VoteLeave created 2,189 ads with targeting criteria using one or more of these three common audiences between 19 April and 20 June 2016. 1,034 of these ads were then run by VoteLeave between those dates, incurring spend accordingly.

Other information discussed with you on 24 April 2018

As explained in our meeting on 24 April 2018, the above information was found as part of our broader internal investigation into the alleged improper use of Facebook data by Cambridge Analytica, SCL Limited and related entities. Below is written confirmation of the other interim findings that were discussed during our meeting:

- We have not found any Leave.EU ads or pages on Facebook with financial or administrative links to either Cambridge Analytica or SCL Limited. We did not find any other such links on Facebook between Cambridge Analytica or SCL Limited and any other Brexit campaigns.
- Our investigations indicate that none of the ads run by the Leave.EU pages used Data File Custom Audiences.

² No Custom Audiences were used by AIQ on behalf of Veterans for Britain or DUP Vote to Leave to run ads

- We have found certain billing and administration connections between SCL Limited/Cambridge Analytica and AIQ:
 - On October 24, 2014, SCL Elections Limited (London) made payments totaling nearly \$270,000 USD for the benefit of an AIQ ad account. These payments appear to have related to non-UK ads. Since we met with you on April 24, 2017, we learned that on November 4, 2014, the same SCL entity made one additional payment of approximately \$14,000 USD for the benefit of the same AIQ ad account.
 - A refund for unused AIQ pre-payments to Facebook was later made to SCL. The refund explanation provided that “*SCL Elections made pre-payments for their campaigns that ran until the 4th of November 2014 under AggregateIQ (#960846).*”
 - SCL Elections is listed as the contact for at least one AIQ Facebook ad account. The provided email address belongs to an SCL employee, who was also named on the payments from SCL to AIQ’s ad account referred to above.
 - An AIQ employee created and administered two apps that ran on Facebook’s app platform associated with “Ripon”, which is publicly reported to be part of Cambridge Analytica’s technology platform.
 - While relating only to ads run outside of the UK, we separately have found five AIQ Data File Custom Audiences that had a significant overlap with SCL/Cambridge Analytica Data File Custom Audiences (over 80% common users in the highest case). We have also seen that AIQ used Data File Custom Audiences with names indicating a reference to SCL.

As noted above, we are continuing to investigate this matter and are happy to provide you with further information if that would be helpful. For the avoidance of doubt, we are providing this information on a voluntary basis and in the hope that it assists you.

Yours sincerely



Gareth Lambe

Facebook Ireland Limited