

We primarily utilize contract manufacturers for the assembly of our servers used in our technical infrastructure and devices we sell. We have agreements where we may purchase components directly from suppliers and then supply these components to contract manufacturers for use in the assembly of the servers and devices. Certain of these arrangements result in a portion of the cash received from and paid to the contract manufacturers to be presented as financing activities in the Consolidated Statements of Cash Flows included in Item 8 of this Annual Report on Form 10-K.

Share Repurchase Program

During 2024, we repurchased and subsequently retired 379 million shares for \$62.0 billion.

In April 2024, the Board of Directors of Alphabet authorized the company to repurchase up to an additional \$70.0 billion of its Class A and Class C shares. As of December 31, 2024, \$44.7 billion remained available for Class A and Class C share repurchases.

The following table presents Class A and Class C shares repurchased and subsequently retired (in millions):

	Year Ended December 31, 2023		Year Ended December 31, 2024	
	Shares	Amount	Shares	Amount
Class A share repurchases	78	\$ 9,316	73	\$ 11,855
Class C share repurchases	450	52,868	306	50,192
Total share repurchases ⁽¹⁾	528	\$ 62,184	379	\$ 62,047

⁽¹⁾ Shares repurchased include unsettled repurchases.

For additional information, see Note 11 of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

Dividend Program

During the year ended December 31, 2024 total cash dividends, which were first paid in June 2024, were \$3.5 billion, \$519 million, and \$3.3 billion for Class A, Class B, and Class C shares, respectively.

The company intends to pay quarterly cash dividends in the future, subject to review and approval by the company's Board of Directors in its sole discretion.

European Commission Fines

In 2017, 2018, and 2019, the European Commission (EC) announced decisions that certain actions taken by Google infringed European competition law and imposed fines of €2.4 billion (\$2.7 billion as of June 27, 2017), €4.3 billion (\$5.1 billion as of June 30, 2018), and €1.5 billion (\$1.7 billion as of March 20, 2019), respectively.

In September 2022, the General Court affirmed the EC decision but reduced the 2018 fine from €4.3 billion to €4.1 billion. We subsequently appealed the General Court's affirmation of the EC decision with the European Court of Justice, which remains pending.

In September 2024, the European Court of Justice rejected our appeal of the 2017 decision and upheld the €2.4 billion fine. In the third quarter of 2024, we made a cash payment of \$3.0 billion for the 2017 shopping fine.

In September 2024, the EU's General Court overturned the 2019 decision and annulled the €1.5 billion fine. The EC has appealed the General Court's decision to the European Court of Justice.

We included the outstanding EC fines, including any under appeal, in accrued expenses and other current liabilities on our Consolidated Balance Sheets. For additional information, see Note 10 of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

Taxes

As of December 31, 2024, we had income taxes payable of \$2.7 billion related to a one-time transition tax payable incurred as a result of the U.S. Tax Cuts and Jobs Act, which is due in 2025. We also had long-term taxes payable of \$8.8 billion primarily related to uncertain tax positions as of December 31, 2024.

Purchase Commitments and Other Contractual Obligations

As of December 31, 2024, we had material purchase commitments and other contractual obligations of \$55.4 billion, of which \$32.5 billion was short-term. These amounts primarily consist of purchase orders for certain technical infrastructure as well as the non-cancelable portion or the minimum cancellation fee in certain agreements related to commitments to purchase licenses, including content licenses, inventory, and network capacity. For those agreements