

# Alphabet Inc Annual Shareholders Meeting

## Company Participants

- Eileen Naughton, VP of People Operations
- John L. Hennessy, Chairman & Lead Director
- Kathryn W. Hall, Assistant Secretary
- Kent Walker, Assistant Secretary
- Ruth Porat, Senior VP & CFO
- Sundar Pichai, CEO
- Unidentified Speaker, Unknown

## Other Participants

- Christine Chow, Analyst, Unknown
- Christine Joann Jantz, CIO, NorthStar Asset Management, Inc.
- David Huerta, Analyst, Unknown
- Emma Bayes, Analyst, Unknown
- Irene Knapp, Analyst, Unknown
- Lisa A. Lindsay, Analyst, Unknown
- Max Kapczynski, Analyst, Unknown
- Patrick Doherty, Analyst, Unknown
- Peter Flaherty, Analyst, Unknown
- Renaye Manley, Analyst, Unknown
- Sky Kelley, Analyst, Unknown
- Sonamtso, Analyst, Unknown
- Tejal Patel, Analyst, Unknown
- Tyler Holsclaw, Analyst, Unknown
- Unidentified Participant, Analyst, Unknown
- W. Andrew Mims, Analyst, Unknown

## Presentation

### John L. Hennessy {BIO 1433018 <GO>}

Good morning, everyone. Welcome to Alphabet's 2019 Annual Shareholders Meeting. I'm John Hennessy, Chairman of the Board of Directors of Alphabet. And I'll be presiding over this meeting. Each of you should have registered as you arrived. If anyone has not registered for this meeting, please register with us before you leave.

Each of you should've also been presented with an agenda. On the reverse side of the agenda is a list of rules of procedure for this meeting. Failure to abide by these rules is grounds for removal from the meeting. We'll provide a question-and-answer period after we have finished the formal business of the meeting.

Here with me today are fellow members of Alphabet's Board of Directors. John Doerr, Ram Shriram. And Sundar Pichai, also the Chief Executive Officer of Google. Our colleague, Ann Mather, is also joining the annual meeting via live stream.

We have other members of the management team here as well, including Ruth Porat, our CFO; David Drummond, Head of Corporate Development and Chief Legal Officer of Alphabet; Kent Walker, Head of Global Affairs and Chief Legal Officer of Google; and Eileen Naughton, Head of People Operations.

Before we move on to the formal business of the meeting, I'd like to say a few words. And then I'll have Sundar and Ruth come up to share a few remarks. After their remarks and the formal business of the meeting, we'll be open for questions.

I'd like to note that our remarks, presentations and answers to questions you may ask may contain forward-looking statements about our business outlook and other matters. Actual results or outcomes from these forward-looking statements due to a number of risks and uncertainties are due -- influenced by a number of risks and uncertainties. These risks and uncertainties are detailed in our annual report on Form 10-K and other public filings with the SEC.

As I mentioned earlier, I have had the great privilege of serving as the Chairman of the Board and have been a member of the Board for the past 15 years. It has been a tremendous honor and an exciting time to work closely with Google, with Alphabet, with Larry, with Sergey, Sundar. And the entire management team. And my fellow directors.

We try to build technologies that every day will improve the lives of people around the world. Of course, this also comes with a deep and growing responsibility to ensure that the technology that we create benefits society as a whole. We are committed to supporting our users, our employees. And our shareholders by always acting responsibly, inclusively and fairly. Our Board works closely with the management team to ensure appropriate oversight over important areas critical to the long-term future of Alphabet, such as diversity, sustainability and societal impact.

We are deeply committed to do the right thing on these complex issues as a Board and as a company. And now I'd like to turn the podium over to Sundar.

## **Sundar Pichai** {BIO 15004624 <GO>}

All right. Thank you, John. Good morning, everyone. It's good to be here. I've been traveling a bit lately. Last week, I was in Pryor, Oklahoma to announce an expansion of our data center there. It was amazing to see how Google's investment over the

last decade has helped transform an entire community. I left Oklahoma feeling inspired by our work and the impact it can have. And it all starts with our mission: to organize the world's information and make it universally accessible and useful.

I feel fortunate to have a mission that feels as relevant today as ever before. But the way we approach our work is constantly evolving. We are moving from a company that helps people find answers to a company that also helps people get things done. We want our products to work harder for you in the context of your job, your home and your life, from helping you write your e-mails faster with automatic suggestions from Smart Reply, or helping you map the best route home at the end of a long day. We want to be there in moments that matter, big and small, over the course of your day. Simply put, our goal is to build a more helpful Google for everyone. And when we say helpful, we mean giving you the tools to increase your knowledge, success, health and happiness.

We feel privileged to serve billions of users every day around the world. And with that scale comes a deep sense of responsibility to create things that improve people's lives. By focusing on these fundamental attributes, we can empower individuals and benefit society as a whole. Of course, building a more helpful Google for everyone always first starts with search. Our users trust us to answer billions of questions every single day. And there is so much more we can do to help them find information and even new opportunities.

One of the way we do this is through jobs in Google Search. We want to connect companies who are looking for qualified workers, with job seekers trying to find a good job close to home. Since we launched jobs in Google Search, we have connected over 100 million people around the world to new opportunities. I want to invite Nick up to the stage to tell us more about it as well as some other ways we are making search more helpful for our users. (Nick), come on up.

## **Unidentified Speaker**

Good morning. People often turn to Google when facing important decisions in their lives. For job seekers, this means finding the next step in their career journey. That's why we've built a job search experience within Google Search. And we've been hard at work improving it to make it more helpful every day.

For example, many people are interested in finding great jobs that they can do from home. Today, via search, our users can go to the location filter, simply select work from home and find great jobs that they can do remotely. This feature is especially important for certain groups such as military spouses, who often struggle with job security due to frequent moves.

We've also launched features like salary range estimates, filtering by precise location and even a way for U.S. veterans to find jobs matching their military experience. And of course, we're working on bringing more tools to job seekers in the future. For example, we're working on a new initiative called Pathways, which connects users to job training opportunities, apprenticeships and occupation-oriented education. Our

approach is to make upskilling and reskilling programs available directly on Google, alongside important information such as salaries. So that people can make the best decisions about their future. Pathways will launch in Virginia in just a few weeks. And we plan to expand rapidly from there.

Another aspect of building a more helpful Google for everyone is improving how our products work during times of crisis. We know that during emergencies, people often turn to the products that they already know and trust, such as Search and Maps. Through our SOS alerts, we've already helped more than 8,000 local governments send more than 550,000 emergency alerts via our public alerts platform.

In preparation for the 2019 hurricane and monsoon seasons, we're bringing a slate of new features to both Search and Maps. During earthquakes, hurricanes. And some floods, anyone near a crisis area will now receive alerts and be able to see comprehensive visualizations right on Google Maps, such as the epicenter of an earthquake, the forecast cone of a major hurricane. So that they have a better understanding of the situation on the ground. And if we think your route may be impacted by a nearby crisis, we'll do our best to safely route you out of harm's way.

Even better than reacting to a crisis is helping you prepare for it. We believe we can help with this, too. We're starting with floods, which is one of the most common and deadliest natural disaster types, affecting more than 250 million people every year, globally. We've developed a machine learning-based approach. This is able to forecast a flood's path and be able to alert exactly those most at risk.

For the 2019 monsoon season, we've already made these alerts available in India in the Patna and Guwahati regions. And we will soon be expanding across the Ganges and Brahmaputra.

These are all examples of how we're making search more helpful for our users, surfacing the right information in the right context. But sometimes, understanding the world around you, you need to be able to search what you see. To tell you more about how we're doing that, I'd like to invite (Aparna) up to the stage.

Thank you, (Nick). Hi, everybody. The smartphone that we all use is one of the -- is the most widely used computer ever in the history of mankind. And the camera on these phones is one of the most widely used features on the phone. With advances in AI and computer vision, we think that the camera can be a powerful tool to search what you see. And that's the idea behind Google Lens. So today, I'm going to show you a couple of examples of how we think that the camera can be helpful through the day. I have (Andrew) here to help me with the demo.

Okay. So first scenario. Imagine you're at a restaurant, that happens. And you are trying to figure out what you want to order, right? Instead of going back from different apps on the phone, back to the menu and so on, now what you can do is you can simply point the camera at the menu. And what happens here is that it's

highlighted automatically the most popular dishes at this restaurant. And what's interesting here -- okay, now what do you want to do next? You want to know more about, say, any particular dish. You can tap on any dish. And you get to see what it looks like and, of course, what other people are saying about this, thanks to user reviews from Google Maps.

We all know not every burger is made the same. So this is really handy. And what's happening under the hood is that Lens needs to, first, of course, read the menu. What that means is that not just words on the paper, actually understand, this is a menu, this has dish names and descriptions, et cetera. Second, match those dish names to the right photos and reviews from Maps. And third, put that information back on the menu right in front of you, in context. And so a lot happening under the hood. But we think of this as a great handy feature.

Essentially, one way to think about this is we are trying to teach the camera to read. And so we asked ourselves, well, what if we use the camera to help people read? Now this is useful, of course, when many of us are in an unfamiliar place, foreign city, don't know the language. But it's even more useful when -- if you are 1 of 800 million adults worldwide who struggle to read everyday things. Think bus schedules, bank forms. They're just -- there's such a barrier to access to information if you're unable to read or you're struggling to read. So we're building a capability to help with that. So let's take a look.

Take this sign. This is a real sign next to an ATM in a bank in India. Now you and I can read it. But if you cannot, there is important information here that you don't have access to. So we think the camera can help you. What can you do? You can simply, again, point your camera at the text, at the sign. And instantly, you have a few options. You can have it heard, read out aloud, let's try that.

## Unidentified Participant

Information for cardholders to all customers using old magnetic stripe cards.

## Unidentified Speaker

You get the idea. So instantly, the sign becomes a lot more accessible to you. You can also tap on any word there to search for it, learn its definition. So that way, even -- especially if you have some specific words that you're struggling with, that's useful. You can also translate it into your own language. In this case, we've done it in Spanish. Notice how the text is overlaid right on top of the original one. It's almost like the whole sign was rewritten in your own language to begin with. And so that way, the whole world again becomes accessible to you.

What's energizing for us here is, of course, this is a sign that you can read. But it is the power to read. And the power to read is the power to buy a train ticket, follow news, shop in a store, a lot of everyday things that we all take for granted, many of us take for granted. But this is the barrier to accessing information for many people across the world.

So we want to make this feature accessible to as many people as possible. So we're launching it in Google Go. So this is our search app that we made it work on phones that cost as little as \$35. We also made it work so that it can work in many languages, including English, Hindi, Indonesian, Portuguese, Spanish, et cetera. So those are just a couple of examples of how the camera on your phone, combined with Google's capabilities, computer vision, text-to-speech, translate. And of course, 20 years of language understanding in Google Search, all come together to help you through the day as Sundar talked about.

Thank you. And back to Sundar.

## **Sundar Pichai** {BIO 15004624 <GO>}

Thanks, (Aparta). Search is one way we use technology to help improve the lives of as many people as possible. Beyond search, Google Cloud gives us an opportunity to be helpful to a different set of users, with tools that help companies, businesses and institutions power our global economy and drive important changes in our society. In fact, cloud is one of the largest areas of investment for Google as a company. Regardless of the type of business, we want to help all customers use the most advanced technologies to drive innovation. And today, we are already working with most of the top 10 companies across media and entertainment and retail, half of the top 10 financial services firms as well as many other sectors and industries.

Helping businesses realize their missions is a big part of how we realize ours. And we are committed to being a strong technology partner for the long term. So far, we have talked about building a more helpful Google. It's equally important to us that we do this for everyone. For everyone is a core philosophy for Google, that's why from the earliest days, search works the same, whether you're a professor at Stanford or a student in rural Indonesia. It's why we build affordable laptops for classrooms everywhere. And it's why we care about the experience on low-cost phones in countries where users are just starting to come online with the same passion as we do with premium phones.

An important way we build for everyone is by ensuring that our products are safe and private. We strongly believe that privacy and security are for everyone, not just a few. This is why, from our earliest days, powerful privacy features have been built into our products and services. Our goal has always been to provide users with clear, meaningful choices around their data. And your Google account is a single place to review and adjust all your privacy controls.

Last month at I/O, we shared a few ways we are making those controls even easier to access. For example, making your Google account just one tap away in all our major products. And order delete controls, which make it easier to manage your data in a way that works best for you. Privacy and security are the foundation for all that we do. And our work is never done. And we'll continue pushing the boundaries here to do more for our users with less data over time.

Building for everyone also means that everyone can access and enjoy our products, including the 1 billion people around the world living with a disability. We believe technology can help us be more inclusive. And advances in AI are providing us with new tools to dramatically improve experiences for people with disabilities. We have seen the impact of those advances in products like Live Transcribe. It uses speech recognition to caption conversations in real time. You can leave your phone open with the app and when someone speaks you, it transcribes their speech into text. And recently, we shared how we are expanding this technology further. Live Caption uses on-device speech recognition to generate captions for web video, a podcast or even a moment you capture at home. This feature makes all content, no matter its origin, more accessible to everyone. And it has the potential to improve so many lives, especially for the 500 million people who are deaf or hard of hearing worldwide.

I want to close on a video that shares the impact of this -- impact this is having on some of our early users. Then I will invite Ruth Porat, our CFO, to the stage to share more about how we are investing for the long term. Let's roll the video.

(presentation)

**Ruth Porat** {BIO 2536317 <GO>}

Good morning. So I'm going to spend a few minutes focusing on how we continue to invest to support our growth. And I'll also share some investment highlights consistent with our commitment to social responsibility and sustainability.

So we have 3 guiding principles as we develop our investment plan. First is to ensure that we continue to invest for the long term, to make the right decisions to support long-term growth. Second is we're really focused on continuing to optimize resources. We have a really keen lens on the trade-offs that we need to make to ensure that we're being really effective in the way we invest all of our resources. And third, we focus on operational excellence. We want to have operational excellence in everything we do, making the necessary investments to ensure the best experiences for our users, our partners and advertisers.

Our focus on the long term has enabled us to deliver the revenue growth that you see here. In 2018, we ended with revenues of almost \$137 billion and operating income reaching \$27.5 billion in 2018. And as we look forward, we're really optimistic about the opportunities ahead. And we're making the necessary investments in both data centers and offices to support our continued growth.

Now as Sundar previously announced, in the United States alone, we're investing \$13 billion this year. And just last week, we announced further data center expansion in Oklahoma and Texas. We're also investing meaningfully outside the United States, including our recent announcements that we will spend more than EUR 1.2 billion to expand our data centers in Belgium and in Finland.

And as we continue to grow our business, we're really focused on remaining a leader in sustainability. And we're proud of our key metrics. Google has been carbon neutral since 2007. We're the largest purchaser of renewable energy. And in 2017 and in 2018, we matched 100% of our energy consumption with renewable energy. We're the first company to reach that important milestone.

In part, we achieved this by making sure that our data centers are run as efficiently as possible. Compared with five years ago, we now deliver around 7x as much computing power with the same amount of electrical power. We're also increasingly using machine learning to further improve data center efficiency. And we then take those insights and efficiency opportunities. And apply them. And leverage them, offer them to our Cloud customers.

And we're also very focused on sustainability in our products. And we're engaged in collaborative work with many to build tools to reduce the impacts of climate change, the global environmental impact.

Now an additional element of our commitment to social responsibility is the way we're investing in the communities in which we operate. And as an example, just yesterday, hopefully you saw, we announced \$1 billion investment in housing right here in the Bay Area. And that's going to lead to the development of 20,000 new homes at all income levels. What this includes is repurposing \$750 million of Google's land for residential housing, a \$250 million fund to support developers building new homes. And a \$50 million Google.org grant to support nonprofits that are tackling the housing crisis in the Bay Area.

Now another element to social responsibility is our commitment to digital skills training. And here, we're focused on helping individuals and small businesses around the world best position themselves for the changing needs in the economy. And under our program, which we call Grow with Google, we offer free digital skills training and tools to help people find jobs and help them grow their businesses, build their businesses. Just last week, I was in Detroit to kick off a Grow with Google event. And this is one of many that is being held around the globe. We've already trained 43 million people in digital skills globally. And we expect that number will rise to more than 60 million by 2022.

So these are just a few of the highlights of our efforts to promote long-term growth. And that is growth that is sustainable and responsible. And as Sundar said, core to our mission is building products for everyone, as he went through. So -- and business anywhere in the world can have the same access as a developer right here in the Bay Area.

Now as the CFO, I love numbers. So I'm going to end with one more data point. In 2018, our search and advertising tools helped create \$335 billion in economic activity for millions of businesses, websites, publishers and nonprofits. And that's in the U.S. alone. We're really proud of the economic impact from our products and services. So I love the statistic.



I want to thank you all for your support. I'm now going to turn this over to Kathryn Hall, who is our VP of Legal and the Assistant Corporate Secretary. And she will call the formal portion of this -- today's meeting to order. Thank you, all very much

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thanks, Ruth. Good morning, everyone. I'm Kathryn Hall, Alphabet's Assistant Secretary. And I'll be conducting the formal business of the meeting today.

At this time, I call the meeting to order. With us today is Maura Stanley, a representative of Computershare, our transfer agent, who will act as our Inspector of Elections; and Andrew Cotton and Matthew Sapp, representatives of Ernst & Young LLP, our independent accountants.

A few notes about the logistics for today's meeting. As stated in the rules of procedure, stockholders may not address the meeting until recognized. We'll provide a question-and-answer session after we have finished the formal business of the meeting today. If you want to ask a question during the Q&A period, please move to a microphone stand that we will provide at the head of each aisle. After being recognized, first, identify yourself and your status as a stockholder, then ask your question.

Thanks in advance for your cooperation with all of the rules of procedure that you've been provided. Please note that failure to abide by these rules is grounds for removal from the meeting.

I've received the affidavits of mailing from Computershare and Broadridge that state that the notice of this meeting was duly given. All stockholders of Class A and/or Class B common stock as of the close of business on April 22, 2019, are entitled to vote at this meeting.

In addition, I've been advised by the inspector of elections that holders of our outstanding Class A and Class B common stock, representing at least a majority of the voting power of our outstanding Class A and Class B common stock entitled to vote, are represented in person or by proxy at today's meeting. Therefore, a quorum is present, the meeting is duly constituted and the business of the meeting may proceed.

The first item of business is the election of directors. 10 directors will be elected at today's meeting. The directors elected today will hold office until the 2020 Annual Meeting of Stockholders. The Board of Directors has nominated the following individuals: Larry Page, Sergey Brin, John L. Hennessy, L. John Doerr, Roger W. Ferguson Jr., Ann Mather, Alan R. Mulally, Sundar Pichai, K. Ram Shriram. And Robin L. Washington.

Our bylaws require that stockholders provide advance notice of their intent to nominate persons as directors. No such notice was received. Accordingly, I declare

the nominations for directors closed.

The next matter being submitted to our stockholders today is the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the 2019 fiscal year. Our Board of Directors has recommended that our stockholders ratify the appointment of Ernst & Young LLP as Alphabet's independent registered public accounting firm for the 2019 fiscal year.

The next matter being submitted to our stockholders is approval of the amendment and restatement of Alphabet's 2012 Stock Plan to increase the share reserve by 3 million shares of Class C capital stock. Our Board of Directors has recommended that our stockholders approve the amendment and restatement of Alphabet's 2012 Stock Plan as described in detail in our proxy statement.

The next 13 items being submitted are stockholder proposals that were included in our proxy statement. In addition, we have a stockholder proposal that was not included in our proxy statement. But we expect will be presented today. Our Board of Directors has unanimously recommended that our stockholders vote against all stockholder proposals that will be presented.

In the interest of time and to allow our stockholder proponents sufficient time to speak on behalf of the proposals, we will not be presenting the company's position on the proposals here today. Please refer to our proxy statement for our responses to these stockholder proposals.

The first stockholder proposal is brought by The NorthStar Asset Management Funded Pension Plan. Christine Jantz will be presenting this proposal. You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire. Please go ahead.

**Christine Joann Jantz** {BIO 18778582 <GO>}

Good morning. My name is Christine Jantz from the NorthStar Asset Management in Boston, the beneficial owner of 8,508 shares of Alphabet Class A stock.

Fellow shareholders, I am here to represent Resolution #4, a request that our Board take all practicable steps to initiate and adopt a recapitalization plan for all outstanding stock to have one vote per share. When shareholders of common stock do not have an equal right to weigh in on significant matters of corporate policy, we lose our right to oversee management through Board elections, enabling the CEO and insiders to appoint a Board that only serves the CEO and management, not shareholders.

We think that the growing number of shareholder proposals is indicative of a corporate governance problem, which needs to be addressed through providing one vote per share so that there will be appropriate shareholder oversight.

When Alphabet went public, the shareholders already lacked the opportunity to give substantive input into company policies. Alphabet's voting structure is heavily weighed to favor insiders given that Class B shares are granted 10x the voting rights of Class A shares. Shareholder rights were further weakened when Class B insiders voted in a brand-new class of stock with 0 voting rights. The fact that new share structure was approved is particularly remarkable, because our calculations show that only 15% of Class A outside shares that voted to approve, establishing Class C nonvoting stock.

How is this possible? Well this measure passed because Mr. Brin and Mr. Page supported it, insiders who control over 50% of the voting power, while owning far less an economic stake. While shareholders might accept this lack of input when profits are up, this voting structure constitutes a considerable risk to governance and shareholder value. All we need to do is to look to Facebook headquarters to see what might happen when shareholders are unable to provide any meaningful feedback.

Facebook's past two years of data scandals, election interference allegations, privacy concerns stemming from irregularities in companies' platforms can be laid at the feet of its founder and controlling shareholder, Mark Zuckerberg. We're very concerned about the governance risks that come from relying upon merely 2 or 3 people's vision and their ability to reduce threats to the company long term without broad input. The founders of this company brought this company to fruition, led it to profitability. But the company's decision to offer common shares of the company in public exchanges, making Alphabet a public company, brings with it a responsibility to shareholders to practice good governance. Shareholders, we urge you to vote for proxy item #4.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you for presenting this proposal. The next stockholder proposal is being brought by the Comptroller of the City of New York, Scott M. Stringer, as the custodian and a trustee of the New York City Employees' Retirement System, the New York City Teachers Retirement System and the New York City Police Pension Fund. And custodian of the New York City Board of Education Retirement System.

Max Kapczynski will be presenting this proposal. You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

**Max Kapczynski**

Good morning, Mr. Chairman, members of the Board. And fellow Alphabet shareowners. Before I get started, I'd like to spend a little time sharing my story and why I'm here. My name is Max Kapczynski. And I'm a full-time employee at Verily.

Last fall, 20,000 of us, employees and TVCs at Google and Other Bets, walked off our jobs. And I walked with them. Our first demand was to remove forced arbitration

from our employment contracts. After months of continued pressure from my fellow workers, you did remove forced arbitration for Google's own full-time employees. But you did not extend this legal right and protection to me, my coworkers at Verily, or the many contractors at Alphabet.

Why not? Are we worth less than other engineers at this company? Do we not all deserve these same rights and freedoms? Coming here today wasn't easy. As an at-will employee, I can be let go at any time, for any reason or for no reason at all. But I came here today because I believe in an equitable Alphabet for employees and contractors, for Google and for Other Bets, for people of all backgrounds. I am here today to add my voice to the growing number of workers, community members and shareholders that are demanding that Google do better.

To that end, I'm here to present proposal 5 on behalf of New York City Comptroller, Scott Stringer. And 4 of New York City's 5 retirement systems, which are substantial long-term Alphabet shareowners, with roughly 560,000 Class A shares valued at roughly \$643 million and an equivalent investment in Class C shares. Proposal 5 calls on the Board to adopt a policy that Alphabet will not engage in any inequitable employment practices. This includes forced arbitration of employment claims, non-compete agreements. And involuntary nondisclosure agreements in harassment or discrimination claims.

We all know what it means to work under these policies. And I've seen what it does to my coworkers to not just fear harassment. But to also watch harassers walk free with a huge payout. We believe these practices are not only inequitable. But incompatible with creating a sustainable long-term value for the company. The New York City Retirement Systems' view on human capital aligns with that of the UK Corporate Governance Code, which regulates U.K. companies. This code states that the Board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. This includes the complex contract relations with all individuals working for Alphabet.

Consistent with the spirit of the code, The New York City Retirement Systems encourage that the Alphabet Board consider how the company's actions impact all the individuals who are paid to work for the company and whose work is fundamental to the creation of long-term value for Alphabet and its shareowners.

Comptroller Stringer's office stands ready to work with the Board to develop and implement a mutually agreeable strategy to prohibit inequitable employment policies. Until then. And on behalf of the New York City Comptroller and Retirement Systems, I urge shareowners to vote for proposal 5. Thank you.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you very much. The next stockholder proposal is being brought by the sustainability group of Loring, Wolcott & Coolidge on behalf of W. Andrew Mims Trust. W. Andrew Mims and Christine Chow will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about the proposal. I'll advise you when your time is about to expire.

**W. Andrew Mims** {BIO 5792226 <GO>}

My name is Andy Mims. And I am the lead proponent of proxy item 6. I'm a partner at the sustainability group of Loring, Wolcott & Coolidge, a Boston-based investment firm that traces its history back nearly 200 years.

We're long-term shareholders of Class A shares. And consider it a core holding of the firm. As such, I would expect that our interests are well aligned with those of management and the Board. In that spirit of aligned interest, we have requested meaningful dialogue with the company on several issues for years, requests that have largely been ignored by the company. And in that same spirit, we have filed proxy item 6.

Proxy item 6 asks the company to create a societal risk oversight committee of the Board, composed of independent directors. And suggests that the Board formally draw on the expertise of individuals who have specific relevant professional and/or academic expertise. The company has repeatedly acknowledged the materiality of this broad topic and should be commended for the steps they have taken to date. But unfortunately, those steps are not adequate.

Further, recent controversies around AI, data breaches and the abuse of certain Alphabet platforms strongly suggest that the company has neither an appropriate holistic oversight structure, nor an independent review process in place to anticipate and address the societal impacts of business decisions, products and services or the ethical questions that they raise.

We are proud of the countless ways that the company has positively impacted our world, some of which were showcased just minutes ago. We respect the broad nature of this topic, of business ethics. And do not anticipate the formation of a societal risk oversight committee leading to the elimination of complex ethical quandaries. However, to remain successful, Alphabet must be considered trustworthy. Adopting such a committee or its equivalent would allow important stakeholders, including shareholders and the company's very own employees, to retain, or in some cases, regain that trust by demonstrating that genuine efforts are being made to address potential blind spots and to meet expectations for transparency around managing related issues.

In closing, I'd like to state that these comments are not just an appeal to fellow Class A shareholders. But also an appeal to Class B shareholders, who, as proposal 4 astutely points out, control the company. And while the 2 controlling shareholders have avoided this meeting. And therefore, the chance to address concerned stakeholders, it's my hope that they still value the long-term importance of aligned interests.

In the words of both Spike Lee and Chair Hennessy, do the right thing.

**Kathryn W. Hall** {BIO 2353425 <GO>}

So Christine, I'll note that time has expired. But if you could please make a quick comment, that would be great.

**Christine Chow** {BIO 22535318 <GO>}

My name is Christine Chow from Hermes. I represent asset owner and asset managers, who have, together, \$5.7 billion invested in Alphabet.

I'm actually disappointed that Larry and Sergey are not here. But I would still like to acknowledge that Alphabet has made notable efforts to improve the responsible use of technology. However, we believe it has a great opportunity to go further to set industry standards. Active employee movements are helping the company to address issues such as sexual harassment, gender inequality and workplace practices. The ethical consciousness should be considered a real asset. If a company can channel this positive energy appropriately, it can set the trajectory for the next phase of development.

Today, I'm speaking in favor of stockholder proposal 6. In our view, there's a gap in the necessary skills in the Board to provide the required oversight. We ask the Board to consider director candidates with experience in statistical analysis to ensure that the probabilistic nature of AI system is adequately explained; social sciences, to enable the social impact of technology to be properly considered; and neuroscience, as the functioning of neural network system is somewhat different from the operation of the brain, still.

Communicating the limits of these networks to society, despite their great potential, is an important part of societal risk oversight. Thank you very much.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you. The next stockholder proposal is being brought by the National Legal and Policy Center. Peter Flaherty will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

**Peter Flaherty** {BIO 6905128 <GO>}

I am Peter Flaherty, Chairman of the National Legal and Policy Center, sponsor of the Government Integrity Project. I'm from Washington. But please don't hold that against me.

I can't figure out why the company opposes this proposal on sexual harassment after pledging to do all it can about sexual harassment. Well maybe it's because there is not one ounce of sincerity in any of the reasons Alphabet cites. The real reason is

that this company. And most of the rest of corporate America, is not governed by what is in the interest of shareholders or even society as a whole. Instead, it's governed by what the left-wing mob demands.

Alphabet will only support initiatives that advance an agenda. I guess combating sexual harassment in the workplace is desirable, only if it helps build a political movement and reinforces identity politics. It doesn't really matter what happens to women. In my supporting statement, I argue that more ideological and political diversity would create a more respectful workplace. I guess that was the poison pill that doomed my resolution. You would think the people that run this country. So rich and supposedly so powerful, could stand up to the mob. But they don't.

Witness what happened to Kay Coles James, the President of the Heritage Foundation. She was invited to serve on something called the Advanced Technology External Advisory Council. And then disinvited when a mob showed up with torches and rope. In fact, the people sitting up here were so freaked out that they abolished the council altogether.

Who was Kay Coles James? She is African-American. When she was 12, she endured jeers and insults as she was one of the first black children to attend an all-white middle school in Richmond, Virginia. And she rose to the top of America's most influential conservative institution. How did that happen? Well maybe it's because Kay is a very special person. And who did her in? 2,500 Google employees. And who are they? Well they went to the best schools, many were so smart that other people paid their tuition. They make a multiple of the money made by anyone who is paid by the hour or does physical labor. Talk about privilege.

What was Kay James' sin? Among other apostasies, she opposes the misnamed equality act, reflecting the views of Heritage's 500,000 members and millions of other Americans. Heritage was founded to promote a particular point of view. Google was not. It was founded to make money by cataloging the world's information. To do that, it has to be trusted by consumers. To be trusted, shouldn't the company be carefully neutral on controversial public policy issues? Why does Alphabet itself have a position on this so-called equality act? Why does it lobby it -- for it, even though it has nothing to do with its core business? This legislation would essentially abolish gender before the law. Without gender, there's no feminism. There's no Title IX, meaning the end of women's sports.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Your time has expired. Could you please wrap up your comments, please?

**Peter Flaherty** {BIO 6905128 <GO>}

Well yes, I know you're good at silencing conservatives. But the previous liberal people who stood right here got over 4 minutes. So I'm going to take at least 4 minutes, okay?

But that's just the start of the controversy. Just think of how it will play in other parts of the world. And how could anyone trust Google Search results on this topic when the company itself is a combatant in the fight over it.

In the face of widespread complaints about Google and YouTube censorship of conservatives and libertarians, the company has apparently decided to double down by demonetizing dangerous radicals like comedian, Steven Crowder. I guess Crowder really is a threat to the management of this company. As Mark Twain said, "Against the assault of laughter, nothing can stand." Thank you.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you for presenting this proposal. The next stockholder proposal is being brought by James McRitchie and Myra K. Young. Christine Jantz will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

**Christine Joann Jantz** {BIO 18778582 <GO>}

Proposal 8, elect directors by majority votes, sponsored by James McRitchie and Myra K. Young of Elk Grove, California. Shareholders request that the Board of Directors amend our company's articles of incorporation and our bylaws to provide that director nominees shall be elected by the affirmative vote of the majority of votes cast at the Annual Meeting of Shareholders. This proposal includes a director who receives less than such a majority vote be removed from the Board immediately or as soon as a replacement director can be qualified on an expedited basis.

To provide shareholders a meaningful role in director elections, our company's current director elections standard should be changed from a plurality vote standard to a majority vote standard when only Board-nominated candidates are on the ballot. This will establish a more meaningful vote standard for Board nominees and could lead to improved company performance.

Under our company's current voting system, a director can be elected if all shareholders oppose the director. But one shareholder votes for even if by mistake. More than 89% of the companies in Standard & Poor's 500 have adopted majority voting for uncontested elections, 84% of Netflix shareholders voted for a similar proposal in 2018. BlackRock's voted -- proxy voting guidelines include the following, "Majority voting standards assist in ensuring that directors who are not broadly supported by shareholders are not elected to serve as their representatives."

It is all the more important to adopt this one corporate governance reform since Alphabet operates essentially as a dictatorship. Under our company's multi-class voting structure, each share of Class A common stock is one vote. Meanwhile, each share of insider Class B common stock has 10 votes. Mr. Page and Mr. Brin control over 51% of voting power, while owning less than 13% of Alphabet's stock.



Since the interest of public shareholders can be subordinated to those of the cofounders, it is critical that shareholders elect directors using a majority standard when they stand for an election unopposed. It's all the more important to adopt this one corporate governance reform since Alphabet shareholders have no right to act by written consent or proxy access to nominate directors. Additionally, a super majority vote is now required to amend certain bylaws.

The Alphabet Board is locked into an outdated governance structure that reduces Board accountability to shareholders. How we elect directors is just one of many needed reforms. Please vote for elect directors by majority vote, proposal 8.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you. The next stockholder proposal is being brought by Arjuna Capital as a lead filer, on behalf of John P. Silva and Shana L. Weiss; and Proxy Impact as a co-filer on behalf of CB Wealth Generation LLC. Sky Kelley will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

**Sky Kelley** {BIO 16662643 <GO>}

Hello, everyone. My name is Sky Kelley. And today, I'm representing TIME'S UP to move proposal #9 on behalf of the filers, Arjuna Capital and Proxy Impact, asking for a report on the global median gender and racial pay gap.

By way of introduction, I started a company called Avisare, which is a procurement platform that drives inclusivity and innovation by helping big companies and governments hire small and diverse businesses.

I can tell you firsthand that being a woman in tech is hard. And being a woman of color in tech, harder. Our struggle is only made worse when companies like Google refuse to release data about both equal pay and equal opportunity, also known as the median pay gap. The median pay gap for women working full-time in the U.S. is 20 points. In other words, women make \$0.80 on the dollar versus men. But when you intersect race and gender, the difference is even more profound.

Black women make \$0.60 on the dollar. And Latinas only \$0.55. But what's the cost of this? What does this mean? The cost is \$0.5 million over the course of a career. \$0.5 million. That's owning a home, that's sending our kids to college, that's being able to retire and to retire with stability. This is the fourth year this proposal has gone to a vote. And while we commend Google for taking a first step last year when it published statistically-adjusted equal pay for equal work numbers, we request more. Because those numbers only tell half the story.

It's time that you do for your company worldwide what you are already obligated to do in the United Kingdom: Release the data about median pay for women and

people of color who work at Google. Now TIME'S UP as an organization emerged out of the global reckoning sparked by the abuse of women by powerful men across industries. We insist on a world where work is safe, fair and equitable. And we will not stand for being blocked from leadership opportunities or for being paid less than our worth.

But I don't need to tell you who TIME'S UP is. You feel our influence even today, as your employees continue to protest harassment and discrimination at Google, including pay inequities that even the U.S. Department of Labor has called extreme and systemic.

Enough. You are one of the world's largest publicly-traded companies, more than 30,000 women work at Google and your motto is, Do the right thing. That's what we're asking you to do. We ask that you report on the global median gender and racial pay gap so you can finally do the right thing by working to close it. Thank you.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you for presenting this proposal. The next stockholder proposal is being brought by (Laura L. Rea), (Meredith Walters). And (Michael A. Moats). At this time, I'd like to ask the stockholders' representative to present this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

## **Sonamtso**

For the next 3 minutes, I have the opportunity to speak with complete freedom and frankness, something I nor my family and friends are allowed to do in Tibet.

My name is Sonamtso. I'm the Campaigns and Communications Director at Students For a Free Tibet International, working to bring freedom to the Tibetan people. As a child of refugees, I am committed to and passionate about working to end state violence and discrimination and securing human rights for all.

Today, I am here representing SumOfUs, a global consumer advocacy group that represents 14 million people in 150 different countries, alongside the countless people who don't have the freedom to publicly voice their concerns. But will certainly be affected by your decisions. We are increasingly concerned about the negative effects technology companies like Alphabet have on people across the world.

Today, I ask you to think and act with these people in mind. Today, I ask you to vote for proposal 10, which calls on Alphabet's Board of Directors to retain advisers to study strategic alternatives and empower a committee of independent directors to evaluate those alternatives, which may include unification of Class A and B shares or sale or other disposition of assets.

We believe that Alphabet has grown to a size and complexity that is unmanageable, as evidenced by numerous failures of oversight in management. It is to the advantage of shareholders to be proactive in determining the company's next steps rather than waiting for antitrust regulators to set a path.

I come from a country where people are imprisoned for using search terms that the Chinese government doesn't like and considers sensitive. These human rights violations are real. And Google must not be complicit. Front-line communities don't have the luxury of waiting for all your hypotheticals to turn into real risks for us. You have violated the trust that your customers placed in you. And that is bad for shareholder value.

Google's willingness to collude with the Government of China sets an extremely dangerous precedent for Internet freedom around the world. Alphabet has been extremely slow to restrict the spread of hateful and extremist content on its platforms. It's time Alphabet accepts responsibility for the part it's played here and take steps to make the company more manageable and its management more accountable.

Over 86,000 SumOfUs members have signed a petition asking Google to cancel Project Dragonfly, including 1,401 Alphabet shareholders and 96 workers. The reputational risks is real. In addition, over 1,300 SumOfUs members wrote to their pension funds, asking them to support this proposal.

Alphabet shareholders, your vote on this proposal will impact the company in many ways. But I ask that you remember, above all, your vote impacts human beings. Vote for proposal 10. Vote for Alphabet to be a more responsible company.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you for presenting this proposal. The next stockholder proposal is being brought by CtW Investment Group, Emma Bayes will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

**Emma Bayes**

On behalf of the CtW Investment Group, I hereby move proposal 11, requesting the inclusion of a nonexecutive employee representative in the Board's slate of director candidates.

An employee director will help restore employee confidence in Alphabet's leadership, an imperative given its heavy reliance on intellectual capital and the extraordinary competition for talent in the industry. Alphabet has repeatedly stated that employees are its most valuable asset. But it's currently embroiled in a cultural crisis stemming from its ethical conduct and treatment of employees, placing this

critical asset in jeopardy. Employee confidence in management decreased 18% last year. Much of this decrease stems from failures in communication between senior leadership and employees. Employees increasingly feel that they have no voice and are concerned that the employee is no longer being steered by its "Don't be evil" ethos.

Last year, 4,000 employees signed a petition demanding that the company promise to cease building warfare technology. 20,000 employees walked out in protest of the company's handling of sexual harassment allegations. Google's censored search engine, Project Dragonfly, resulted in substantial employee demonstrations. Each of these controversies prompted resignations and protest.

Appointing an employee representative would help the company be proactive and ensuring it has employee buy-in for controversial decisions, hopefully preventing these embarrassing mistakes and the loss of valuable talent.

Alphabet's Board exhibits hallmarks of entrenchment and of a permissive tone at the top. Of the 10 members of the Board, only 3 are not either current or former executives or highly-tenured directors. The Board has also failed to foster ethical management and has displayed a pattern of rewarding poor behavior by executives. The Board approved over \$100 million in payout to senior executives after accusations of sexual misconduct were deemed credible by the company's own internal investigations.

David Drummond was promoted to Alphabet's Chief Legal Officer despite the fact that he himself conducted a sexual relationship with a subordinate. An employee director would help counterbalance this executive-heavy Board. Nonexecutive employees can provide guidance independent of management and have been found by the SEC to be considered independent for the purposes of Audit Committee membership under Sarbanes-Oxley.

Adding a nonexecutive employee director will add an on-the-ground perspective critical to mitigating the ongoing risk to the workplace, brand and corporate culture.

Today, Alphabet sits at an inflection point, facing widespread reputational and regulatory risk due to rising antitrust, data privacy and propaganda concerns. It cannot afford to ignore the storm brewing in its most valuable asset, its employees. Therefore, we urge you to support proposal 11.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you for presenting this proposal. The next stockholder proposal is being brought by John Chevedden. Christine Jantz will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

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**Christine Joann Jantz** {BIO 18778582 <GO>}

Proposal 12, simple majority vote, sponsored by John Chevedden of Redondo Beach, California.

Shareholders request that the Board of Directors take the steps necessary so that each voting requirement in the charter and bylaws that calls for a greater than simple majority vote be replaced by a requirement for a majority vote -- the votes cast for and against applicable proposals, or a simple majority.

Shareowners are willing to pay a premium for shares of companies that have excellent corporate governance. Supermajority voting requirements have been found to be 1 of 6 entrenching mechanisms that are negatively related to company performance according to What Matters in Corporate Governance? by Lucian Bebchuk of the Harvard Law School.

Supermajority requirements are used to block initiatives supported by most shareowners. But opposed by a status quo management. This proposal topic won from 74% to 88% support at Weyerhaeuser, (Alcoa) Waste Management, Goldman Sachs, FirstEnergy, McGraw-Hill. And Macy's. These votes of 74% to 88% would have been higher if more shareholders had access to independent proxy voting advice. Currently, a 1% minority can frustrate the will of our 66% shareholder majority.

In other words, a 1% minority could have the power to prevent shareholders from improving management accountability. Currently, the role of Alphabet shareholders is diminished because management can ignore a 66% vote of shareholders on certain issues. This proposal is especially important for Alphabet shareholders because management had it rigged in so many ways that shareholders have hardly a voice in the fate of Alphabet.

The voice of regular shareholders is diminished because certain insider shares have 10x as many votes as -- per share as regular shares. Plus, we have no right to act by written consent. Our Board was stacked with insider directors, including our Chairman. And directors who have 14 to 20 years' long tenure. Insider status and long tenure result in a lack of director independence at the expense of regular shareholders. Independence is a priceless attribute in a director.

Clearly, there is shareholder dissatisfaction. Three directors received up to 20x as many negative votes as some of their peers on the Alphabet Board in 2018. And these 3 directors received such high negative votes even though they probably received 100% support from the insider shareholders who have 10x as many votes per share as regular shares.

Please vote yes, simple majority vote, proposal 12.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you for presenting this proposal. The next stockholder proposal is being brought by Zevin Asset Management LLC as a lead filer on behalf of (Carol A. Resin), along with a number of other co-filers. Irene Knapp will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

## **Irene Knapp**

My name is Irene Knapp. And I am an engineer at Google. On behalf of Zevin Asset Management and concerned employees of Alphabet and its subsidiaries, I hereby move proposal #13.

Last year, I spoke to you about long-term human capital risks. Since then, nearly all of the people I admired as thought leaders have left the company. In their resignation letters, many of them cited the company's betrayal of its stated values. The human capital risks are not theoretical or long term. They are already here. We continue to believe that linking senior executive compensation to inclusion, sustainability. And community impact metrics will further Alphabet's values. These are also key components of business sustainability and success.

McKinsey & Company research shows that companies in the top quartile for gender and racial diversity are more likely to see above-average financial returns. Furthermore, Alphabet's failure to substantially improve diversity and inclusion is directly linked to its ongoing ethical crisis. A recent report by the AI Now Institute concluded that bias in artificial intelligence is closely intertwined with the diversity crisis in the industry.

Alphabet workers from marginalized backgrounds are fighting not only for what is right. But for the survival of ourselves, our friends and our families. The world today faces a crisis largely created by the indiscriminate application of technology. The impact that Alphabet has on society cannot be overstated. And those of us who both understand the problems and are in a position to do something about them have an obligation to step up. This is why I'm speaking to you today and why my colleagues and I will continue to fight.

Proposal 13 calls on Alphabet to consider tying senior executive's compensation to performance on key sustainability metrics. These include racial and gender diversity within its leadership and operations; labor practices within Alphabet's largely minority subcontracted workforce; and the impact of the company's burgeoning real estate development on gentrification, displacement and homelessness. It is our belief, as engineers, as investors and as technical professionals, that a lack of transparency and accountability fundamentally hurts the quality of products Alphabet can deliver.

With the advent of modern machine learning, our industry stands at a crossroads. To be a leader in this area, Alphabet must credibly integrate diversity and sustainability into its strategy. A growing group of Alphabet shareholders is listening to

employees, contractors and communities. Together, we are sending a strong message to Alphabet's leadership that they must prioritize transparency and accountability in the interest of people, products and long-term investor value.

Last year, more than 1/4 of outside investors supported this proposal. And I urge more of you to join us.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you. The next stockholder proposal is being brought by Azzad Asset Management as a lead filer, along with a number of other co-filers. Tyler Holsclaw will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

**Tyler Holsclaw**

My name is Tyler Holsclaw. I work at Google. And today, I'm representing a coalition concerned about the impact of government censorship and surveillance on human rights. And our company's stance on this issue.

On behalf of Azzad Asset Management and 8 co-filers, I hereby move proposal #14, which asks Alphabet to publish a human rights impact assessment, examining the potential impacts of a Google Search product in China. As we debate the ethical obligations of a massively influential company like Alphabet, we must remember that Dragonfly is not just a product. We have to consider it in the context of the environment in which it would be placed. China already engages in invasive cyber-surveillance and uses the data to crush dissent, destroy cultural and religious identities. And torture and imprison its citizens.

Google's powerful technology could give China data that it wouldn't otherwise get. We must think about what it means to partner with such a government. This further endangers the human rights of more than 1 billion people and can set a dangerous precedent for the entire world. 60 human rights organizations and 1,400 Google employees have urged our company to cancel Dragonfly.

As a reminder of the personal impact of government surveillance and the control that Dragonfly could further enable, I'd like to read a statement by one of my fellow Google employees.

"I'm a Googler who grew up in China. And I am afraid. This past year, I watched my colleagues debate the subject of doing business in China. They drew hypotheticals, debated (systems and) morality. And balanced concepts of access, truth, control and profit. I stayed silent.

I was born as a second child under the one-child policy. I was born as evidence of a crime. I remember my mother's retelling of her government-forced abortion of her third child. Her voice is emotionless. But her words are vivid. If I could make myself utter even a single word, I would ask the people I work with how deals with a brutal regime are even up for debate.

My family escaped to the U.S. so we could find a life as a person and not as a mistake. I believed in Google for our previous position against the Chinese regime. Now my trust in Google has been replaced with fear, fear that I am made complicit in the abuse of the Chinese people, fear that my work becomes a weapon wielded in the oppression of people around the world.

My mother is quick to remind me that the people who made our lives impossible to live are not yet themselves cruel tyrants. The government doctors and bureaucrats obey leaders they could never influence. They are the future I fear for myself."

Members of the Board, this proposal is a chance for you to follow through on our engineering culture. Make sense of what you have done wrong in a postmortem. Request review from coworkers. Right playbooks for future incidents. On behalf of all voices are too afraid to be heard, I invite you to earn back our trust. And on behalf of concerned Alphabet investors. And in the name of Googlers who care deeply about this issue, I urge you to vote for proposal #14. Thank you.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you. The next stockholder proposal is being brought by the Service Employees International Union Pension Plans Master Trust. Renaye Manley will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

**David Huerta** {BIO 16079024 <GO>}

My name is David Huerta, President of SEIU United Service Workers West. Our organization has been at the forefront of combating sexual assault and harassment of janitors in the commercial real estate and high-tech industry. It is unfortunate that I cannot say the same when it comes to Alphabet's commitment to its own employees.

Sexual harassment is a major problem in workplaces across the country. The Me Too Movement has shed light on the impact it has on working women every day. It also poses significant risk for investors. This is why Alphabet should adopt an executive compensation clawback policy in the wake of the financial and reputational damages the company suffered last year due to its handling of sexual misconduct allegations.



Last November's walk out of 20,000 Alphabet employees and contract employees, by one estimate, accounted for more than 20% of Alphabet's global workforce. Alphabet is also facing multiple shareholder lawsuits relating to the sexual misconduct allegations, with one of the plaintiff's attorneys arguing that the fallout from this scandal cost Alphabet billions of dollars in share value.

The SEIU Pension Plan Master Trust proposal ask you to follow your peers and take responsibility to deter misconduct by executives seriously. 97% of largely publicly-traded companies surveyed about their compensation packages have adopted some form of clawback policy. Many companies have the same policy that this proposal calls for.

For example, 29% of the companies, including Verizon, Wells Fargo. And Equifax, include ethical misconduct without requirement of financial restatement as a clawback trigger. Given the sexual misconduct issues you have faced, there is no excuse for Alphabet to lag its peers. The Board needs to take action and adopt this strong clawback policy to protect Alphabet's workforce and its investors.

**Kathryn W. Hall** {BIO 2353425 <GO>}

You have about 1 minute 20 seconds left.

**Renaye Manley**

Okay. We believe that Alphabet would benefit from a misconduct clawback policy like the one we propose. Clawback provisions can serve as deterrents and contribute to a tone at the top, emphasizing ethical behavior.

Google, Alphabet's wholly-owned subsidiary, has recently come under fire for paying male executives fired after being accused of sexual harassment, millions in severance packages and for continuing to employ some executives despite harassment complaints. These revelations of course spurred the protest by Google employees who connected Google's treatment of harassment complaint -- claims with broader concerns over sexism at Google.

We urge shareholders to vote for this proposal. Thank you.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you. The next stockholder proposal is being brought by the Comptroller of the State of New York, Thomas P. DiNapoli, as the trustee of The New York State Common Retirement Fund and the Administrative Head of the New York State and Local Retirement System; and Arjuna Capital on behalf of Lisa Stephanie Myrkalo and Andrea Louise Dixon as co-lead filers. Patrick Doherty will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

**Patrick Doherty** {BIO 14001405 <GO>}

Mr. Chairman, fellow shareholders, my name is Patrick Doherty. And I'm here today on behalf of the New York State Common Retirement Fund to introduce our fund's proposal, calling on Alphabet to issue a report to shareholders reviewing the efficacy of its enforcement of its terms of service related to content policies and assessing the risks posed by content governance controversies, including hate speech and sexual harassment, to the company's finances, operations and reputation.

A leading proxy advisory firm, Glass Lewis, recently recommended support for this resolution, citing the serious risks these controversies pose to the company.

They said. And I quote, "Although the company has proposed some disclosure -- provided some disclosure and taken some action with respect to the issues raised by the proponent, we believe that support for this proposal would provide disclosure of an important area that we do not believe is being properly addressed by the company, namely, its assessments of its financial and reputational risks on account of the recent content management controversies.

Given the recent warnings from regulators and legislative attempts at exposing Internet platforms to more liability on account of their -- of the content of their websites, we believe that shareholders would be served by additional disclosures of how the company is managing these issues."

In New York, we agree with this assessment. And therefore, on behalf of The New York State Common Retirement Fund, holders of more than \$1 billion worth of Alphabet stock, I submit the proposal on content management found in your proxy materials. Thank you.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you. In addition to the 16 items of business described in our proxy statement, (Joel M. Miller) has provided notice of his intent to present a proposal today regarding Alphabet's compliance with sanctions programs administered by the United States Office of Foreign Assets Control. (Joel Miller) will be presenting this proposal.

You'll have a total of 3 minutes to make a statement about this proposal. I'll advise you when your time is about to expire.

**Unidentified Participant**

My proposal concerns Alphabet's activities related to entities sanctioned by the U.S. Treasury's Office of Foreign Assets Control, the OFAC. A request that the company

establish a sanctions compliance program, an SCP, as recommended by the OFAC to identify and close accounts held by sanctioned entities.

This proposal does not concern limiting any particular services, removing any type of content, enforcing general community standards or the like. It's about closing the accounts of listed entities. The present proposal would supplement existing content-based screening without requiring the company to judge the value or the meaning of particular content to infer its long-term intent.

The OFAC administers and enforces economic sanctions, prohibiting transfer of technology and services including Internet communications to or from sanctioned entities. It maintains a list of sanctioned entities, including money launderers, narcotics traffickers, supporters of terrorism. And others deemed a threat to national security, many of whom would not trigger content-based removal.

The OFAC describes the elements of a credible sanctions compliance program with respect to these specific entities. These elements include management commitment to risk assessment, auditing, training and the like. Of course, there's a moral dimension, which deeply disturbs many of our customers. Through its proxy, Hezbollah, the Islamic Republic of Iran, for instance, murdered 241 American service persons in their Beirut barracks. The company should move decisively to ensure it does not provide communications and public relations platforms to sanctioned entities with American blood on their hands.

Islamic Republic of Iran broadcasting, IRIB, a sanctioned entity, which owns Iran's press TV, maintains several YouTube channels. The proposed approach would deny IRIB and its subsidiaries all access to company services. Similarly, all services would be denied to the government of Iran and yet be targeted more narrowly than denial by country, thereby serving the desirable aim of facilitating Internet communications by and with the people of Iran.

Individuals and entities that knowingly violate federal sanctions may face criminal prosecution by the Department of Justice, with fines up to \$1 million and imprisonment up to 20 years per violation.

Absent an effective sanctions compliance program, a violation may be deemed what they call egregious. Establishing an effective OFAC list-based sanctions compliance program is a simple and effective way for the company to honor its moral and legal obligations, protecting itself and its officers from civil and criminal penalties and from reputational damage consequent to violation of federal law. Thank you for considering this proposal. If you're inclined to vote on it, the form looks like this.

**Kathryn W. Hall** {BIO 2353425 <GO>}

Thank you for presenting this proposal. The persons named as proxyholders, Larry Page, Ruth Porat, David Drummond, Kent Walker and myself and any of us, have discretionary authority in voting the proxies under Rule 14a-4(c) under the Exchange Act and intend to exercise such discretion to vote against this proposal.

Because no further business is scheduled to come before the stockholders, the polls are now open. We want to make sure everyone has an opportunity to vote. So if you want to vote on the proposals included in our proxy statement and you requested a ballot when you registered, please complete it now. In addition, if you want to vote on the floor proposal presented by (Joel Miller) today, please use the separate ballot provided to you when you registered.

I'll now give you a few minutes to complete your ballots and hand them in. Thank you.

(Voting)

It looks like all of the ballots have been submitted. Your ballot has not been submitted?

### **Unidentified Participant**

(inaudible)

**Kathryn W. Hall** {BIO 2353425 <GO>}

So if you have, you can fill out a proxy card.

### **Unidentified Participant**

(inaudible)

**Kathryn W. Hall** {BIO 2353425 <GO>}

Okay.

### **Unidentified Participant**

(inaudible)

**Kathryn W. Hall** {BIO 2353425 <GO>}

We rely on our inspector of elections to properly...

### **Unidentified Participant**

There's no way that (we'll have to do that). (inaudible)

We forgot to put -- that we have to put our name and address in the top part because they were the ones that were mailed to us with the name and address in (inaudible).

**Kathryn W. Hall** {BIO 2353425 <GO>}

Does anyone need to add their name to their -- to the ballots that they submitted?

**Unidentified Participant**

(inaudible)

**Kathryn W. Hall** {BIO 2353425 <GO>}

You can certainly take a moment to do that now.

**Unidentified Participant**

(inaudible)

(inaudible)

**Kathryn W. Hall** {BIO 2353425 <GO>}

Maura, are we okay to proceed?

**Unidentified Participant**

(inaudible)

**Kathryn W. Hall** {BIO 2353425 <GO>}

Maura, are we okay to proceed? Okay. Thank you. I declare the polls for each matter voted upon at this meeting closed and direct the inspector of elections to collect the ballots, which she has done. And I believe that they've now all been collected. So thank you.

I will now review the preliminary results on the matters brought before the meeting. I've been advised by the inspector of elections that the nominees for election to the Board of Directors have been duly elected. I've been further advised by the inspector of elections that a majority of the shares of our Class A and Class B common stock entitled to vote and present at the meeting in person or by proxy voted in favor of the ratification of the appointment of Ernst & Young to act as our independent registered public accounting firm for the 2019 fiscal year. And the approval of the amendment and restatement of our 2012 Stock Plan. Therefore, each of these proposals has been approved by our stockholders.

I have also been advised by the inspector of elections that a majority of the shares of our Class A and Class B common stock entitled to vote and present at the meeting in person or by proxy voted against proposals 4 through 16 described in our proxy statement and against the floor proposal presented by (Joel Miller) today. Therefore,

each of these stockholder proposals has not been approved by our stockholders. As soon as possible after the meeting, we'll complete the final vote tabulations. And we'll provide the final vote results on our Investor Relations website and in a filing with the SEC.

That ends the official business of the meeting. And I declare the formal portion of our meeting adjourned.

We've now set aside 20 minutes for a question-and-answer session. If you are a stockholder proponent who has already made a statement here today, please yield to other stockholders in order to provide them with an equal opportunity to ask questions. Please note that in order to ensure that all of our stockholders have an equal and fair opportunity to have their voice heard, we have placed a time limit of 1 minute per question. If you exceed this limit, you will be asked to yield to the next individual in line to ask a question. Thank you for your cooperation.

And with that, I will turn things back to John. So thank you.

**John L. Hennessy** {BIO 1433018 <GO>}

Thank you, Kathryn. Could I ask the management team to join me up here? And let's start with the first question. And as Kathryn said, let's try to keep them succinct so we can get through as many as possible. On the right here.

## Questions And Answers

### Q - Unidentified Participant

(inaudible) project. Why is this world company so afraid of viewpoint diversity? When I filed the shareholder proposal asking the company to consider the idea of expanding viewpoint diversity on the Board, the company scoffed. In April, Google ended its AI Advisory Board before it even got off the ground because a few closed-minded Googlers objected to the inclusion of Heritage Foundation President, Kay Coles James, on the project. This outraged mob called James so many words that I'm not going to say in this public forum.

Regarding her experience with Google, James wrote this, "In 1961, at age 12, I was one of 2 dozen black children who integrated an all-white junior high in Richmond. White parents jeered at me outside the school. And inside, their kids stuck me with pins, shoved me in the halls and pushed me down the stairs. So when a group of Google employees resorted to calling names and making false accusations because they didn't want a conservative voice advising the company, the hostility is reminiscent of what I felt back then, that same intolerance for someone who is different from them."

Shame on Google and every single person involved in ending the AI Board and giving into this mob. The company's intolerance is staggering. From working with a racist, bigoted and discredited Southern Poverty Law Center...

**A - John L. Hennessy** {BIO 1433018 <GO>}

Excuse me, your time is up.

**Q - Unidentified Participant**

Okay. My question is for Mr. Pichai then. Will you commit today to a course correction at this company and start promoting actual viewpoint diversity? Perhaps you could establish a Public Policy Advisory Board that includes folks such as Ms. James to help the company actually become tolerant and inclusive.

**A - Kent Walker** {BIO 15242895 <GO>}

Let me jump in and take over. I'm Kent Walker. I oversee our Trust and Safety teams at Google. And I'm responsible for making sure that all the information across all our services is of the highest quality we can achieve. We take issues of making sure that our information is open and reliable very seriously. And we work extensively with lots of different groups across the political spectrum in the United States and around the world to make sure that's the case. We also, in our public policy advocacy, are working broadly with a lot of different organizations. And we continue to look for input with regard to our product development, efforts like whether it's AI or machine learning or the other products and services we offer all the time. So we appreciate the input. And we're continuing to work on this every day.

**A - John L. Hennessy** {BIO 1433018 <GO>}

Okay. So let's go over to the left.

**Q - Unidentified Participant**

Hi. I've been to many shareholder meetings over the years. And I was wondering where the CEO is of Alphabet. When I come here and I don't see the CEO, maybe one year, he's sick or something comes up. But year-after-year, there's no CEO here. It's a glaring omission, especially someone who has such a large stake in the company, that we can't address him directly once a year. I think that's disgraceful.

**A - John L. Hennessy** {BIO 1433018 <GO>}

Yes. Unfortunately, Larry was not be able to be here. But Larry has been at every single Board meeting. I certainly meet with him along with the other Board members frequently. And...

**Q - Unidentified Participant**

But this is our only chance to do it as shareholders.

**A - John L. Hennessy** {BIO 1433018 <GO>}

I understand that.

**Q - Unidentified Participant**

Thank you. I'm (Andreas). And I'm representing the investment corporation for long-term investors situated in Bonn, Germany. We are a 200 -- or roughly 230 family business owners. And we are happy shareholders for many, many years. I would like to say thank you for all your efforts to the management team and all Google employees.

My question is in term of autonomous driving, what's your vision there? When do you think it will be accessible to the general public? And do you think the barriers of entry are in the U.S. market lower maybe in terms of regulation than in Europe or maybe even in China? Thank you very much.

**A - Ruth Porat** {BIO 2536317 <GO>}

So in terms of autonomous driving in our business, Waymo, what really motivates our team is the opportunity to save lives, over 1.2 million lives lost every year on the road. That's the equivalent of a 737 airplane going down every day of the week -- every hour of every day of the week. And so we're working really hard on it. We have a pilot program going on in Phoenix. We're continuing to enlarge the number of riders and the land traveled. We're also exploring a host of other things with our self-driving car program like logistics and licensing the technology. Regulation is one of the gating factors. We're continuing to work with quite a number of places that are excited about the opportunity to have self-driving cars because of the opportunity to help make -- to save lives. We do look at this as very early days and something that is a much longer-term evolution. And we see opportunities globally for that. So it's early days. But appreciate your question because we do think it's such an important area.

**A - John L. Hennessy** {BIO 1433018 <GO>}

Let's come to the left.

**Q - Unidentified Participant**

My name is (Marie). I'm a Googler of 6.5 years. And I have a question, a follow-up about the worker representative on the Board proposal. Like many others, when I joined the company, I was filled with excitement and enthusiasm and curiosity, in large part because of the exciting things that I thought a company as large as Google could do in the world, the good it could do. And I've seen so much good happen since I've been here. But what really stuck out to me recently is the shift when we are challenged, the shift when we realize that something we are doing is not actually helping or it's having an unintended consequence. And as the years passed, I've seen executives start to feign powerlessness when faced with these challenges as if we aren't a company of the size of the economy of a certain -- of other countries. And it's become clear that there's a disconnect.

People at the top do not understand the reality that workers and users are living in and their own responsibility in that reality. We're told we can't simply choose to treat workers with respect and end this artificial caste system of TVCs and FTEs because that would violate U.S. co-employment law. We're told that we can't take dramatic action to halt climate change because we need to sell tools that allow the fossil fuel industry to extract fuels more efficiently so we can meet quarterly sales. But when we



respond this way, it's disingenuous. It's not that we, Google, are powerless to behave differently. It's that we're choosing to use our immense power to solve the wrong problems. And we can do better.

So my question is this. You've hired a global workforce of 200,000-plus people with the diversity of experiences and knowledge to collectively understand the scale of the challenges this company and the planet face right now. We see these problems because we live them. And we know what needs to be done to build a better company that serves the world in that process. And as you can see, we have the energy and motivation to do it. We're already organizing with or without you. If I'm no longer employed here in a year, 5 others will be here to fill the spot. So what more will it take for you to decide to accept our experience and our offering to help and start fixing these problems together with us by putting a worker representative on the Board?

**A - John L. Hennessy** {BIO 1433018 <GO>}

Let me just say on behalf of the Board, we are constantly looking for new Board members to create a Board that has the very best people to advise the management team. We believe deeply in the importance of diversity on the Board. Recently, we recruited Robin Washington to join the Board, who not only has great experience but brings an added level of diversity to the Board. That's something we are committed to as a Board, bringing in that diversity and bringing in the very best people to help guide the management team as they go forward.

**Q - Unidentified Participant**

(foreign language).

(Interpreted) Good morning. My name is (Yolanda Chavez). And I'm a shareholder representative for the AFL-CIO Equity Index and an activist for Silicon Valley Rising.

(foreign language)

(Interpreted) I love San Jose. And I know it has good opportunities for my kids. But I'm afraid I won't be able to live in San Jose if Google's new mega campus doesn't take responsibility to fully mitigate its impacts on San Jose.

(foreign language)

(Interpreted) To make rent, I've had to rent out my living room to a single mom with 2 kids.

(foreign language)

(Interpreted) Yesterday's announcement that Google recognizes its responsibility to act on the housing crisis in the Bay Area is a positive sign that the community -- that the company is listening to the community.

(foreign language)

(Interpreted) Nonetheless, we have a few questions.

(foreign language)

(Interpreted) Google has committed to supporting 5,000 affordable units across the Bay Area.

(foreign language)

(Interpreted) We think this is a good first step. However, a recent Working Partnerships USA report finds that Google needs to build or subsidize 5,000 affordable units in San Jose alone to offset the impact of the mega campus on the city's rental markets.

(foreign language)

(Interpreted) What is your plan to work not only with local government. But also local community to ensure that Google's mega campus fully mitigates its impacts on the city's housing supply?

**A - Ruth Porat** {BIO 2536317 <GO>}

Thank you for the question and the comment. We are very committed to working closely with the communities in which we live and want to be a really constructive partner with the communities. We think this announcement yesterday really underscores our commitment to the Bay Area. You pointed out the 5,000 homes -- affordable-cost homes and on top of that, there are 15,000 really across all spectrum. We think that's an important contribution to making a difference here in the Bay Area. And we're proud members up and down the -- this -- the peninsula here.

On top of that, we're also doing work through our DotOrg organization supporting organizations committed to affordable housing. And we're doing additional work such as the digital skills work that I've talked about. We're very committed to leveraging what we're doing with our resources. And Googlers are very committed and donating quite a lot of their time as well given our passion to make sure we're making a really positive difference in the community. So we are working closely. We hear you. Appreciate it. And hopefully, this announcement yesterday underscores the sincerity and depth of our commitment to making a difference on affordable housing. Thank you for your question.

**Q - Lisa A. Lindsay** {BIO 22667727 <GO>}

Hi. My name is Lisa Lindsay from SumOfUs. And I'm here to deliver the petition that was mentioned previously by Sonamtso of already 6,000 people who have asked Google to stop Project Dragonfly, including 1,400 shareholders and 1,300 people who wrote to their pension funds. And my question is, you mentioned over the

weekend that a censorship-free Internet would be an "important condition" in evaluating whether or not you go into China. I'd like to ask whether or not you'll make a commitment to not working with China -- inside China as long as these censorship conditions continue.

**A - Kent Walker** {BIO 15242895 <GO>}

Thank you for the question. We continually assess all the countries around the world where we're doing business to make sure that we can offer our services as broadly as possible. As we've said, we have no plans to offer a search engine in China. And we'll be very open to input from all stakeholders as we progress there and other product developments around the world.

**Q - Lisa A. Lindsay** {BIO 22667727 <GO>}

But you won't make a commitment to working --- to not working in China as long as their censorship regime continues?

**A - Kent Walker** {BIO 15242895 <GO>}

So there are a whole variety of different countries around the world that have challenging conditions. And we're constantly working every day to try and make sure...

**Q - Lisa A. Lindsay** {BIO 22667727 <GO>}

Okay. I'm hearing that the answer to my question is no. You won't make that commitment.

**Q - Christine Chow** {BIO 22535318 <GO>}

My name is Christine Chow from Hermes. I spoke earlier. But thank you very much for giving me the second opportunity to ask this question. In the AI Principles published in June 2018, Alphabet has put on record that it will not pursue technologies that cause harm, such as weapons; those that would support surveillance; or those that violate human rights. I would like ask the Chair how you will approach it. And to confirm that you will take the necessary steps to demonstrate to investors and other stakeholders in compelling terms that these promises are adhered to.

**A - John L. Hennessy** {BIO 1433018 <GO>}

Well I think the AI Principles document lays out exactly what our goals are. And it lays them out not only for our shareholders and our users. But also for our employee base. And working together, I think that's how we'll establish that. Kent?

**A - Kent Walker** {BIO 15242895 <GO>}

And if I could add to that, John. The -- we have tried to be very public in the work that we're doing here and talking about the progress we've made. We have published a handbook with regard to ideas on AI not just responsible practice -- principles. But also responsible practices for practitioners in the area. We're working

with many different groups, the Partnership on Artificial Intelligence, a number of NGOs to make sure we move forward not just at Google. But throughout the sector to make sure that AI is taking into account important social as well as technological issues.

### **Q - Unidentified Participant**

Before asking a question, let me just tell you that I'm extremely impressed by Google. Just an amazing company in the space, extremely (inaudible). (Have used it) and it's a fantastic service that I get.

All right. I want to ask about the self-driving car. You have been working on this for about 10 years now. I see the self-driving cars all the time running around. There are a lot of technical stuff. So -- but I don't think that the technical issues are really the problem right now. There are tons of stakeholders that are heavily impacted by the self-driving car. And there's 1 stakeholder that I have not yet seen being mentioned and discussed in the press. And it is actually the government. Transportation sector's about 10% of GDP. The self-driving car has the possibility to eliminate 60%, 70% of the private cars. All the stakeholders in that business, of course, will be impacted. But it seems to me that the government itself will lose a tremendous amount of taxable input sources, revenue sources. How do you plan to deal with the headwinds that the government could provide -- could generate against the self-driving cars?

### **A - Ruth Porat {BIO 2536317 <GO>}**

There are a couple of points. Throughout history, when new technologies have emerged, new roles that we didn't envision at the time of creation have also developed. If you think about ATMs, for example, with banks, as they came about, there were different services that also were developed. And as we're looking, even in our small pilot here in Phoenix, at some of the work that we're doing, we're teaming up with players like Lyft and Avis and others. We're looking at different elements of what is that whole process. So that is one part of it.

The other part. And I'm glad you brought up cities, a really interesting area to address is this last mile challenge. We have trains that may get you from Point A to Point B. How do you then get people home? And so there are a host of, again, other services that are continuing to evolve. And as I answered in the prior question, we're very early days here. We think the opportunity to make a difference and save lives. And also to your point about cities, repurpose space that may have been sitting idle for parking lots. And to put it into some more productive use like the money freed up to go into education or playgrounds, creates new opportunities that have not yet been addressed. But it's still early days. Thank you.

### **Q - Unidentified Participant**

(foreign language)

(Interpreted) Good morning. My name is (Juan Salceldo). And I'm a shareholder representative for the International Brotherhood of Teamsters.

(foreign language)

(Interpreted) I've lived 44 years in the United States. It's my second homeland. And I've spent the greater part of my life working in fast food restaurants.

(foreign language)

(Interpreted) I've been a longtime activist in the fight for \$15 and a union because I understand the importance of democracy at work.

(foreign language)

(Interpreted) That's why I joined Silicon Valley Rising to ensure that other workers like me wouldn't have to struggle so much for a fair workplace.

(foreign language)

(Interpreted) Silicon Valley Rising sent you a series of community demands to ensure workforce equity in your new campus.

(foreign language)

(Interpreted) Our hope is that the approximately 8,000 subcontracted service workers in food, janitorial, security and shuttle driver roles who will work in the future San Jose campus have a voice at work and the ability to join together to negotiate better working conditions.

(foreign language)

(Interpreted) We are also concerned with Google promoting local hiring and investment in training and education programs to ensure that local youth have the opportunity to get jobs at the future campus.

(foreign language)

(Interpreted) What commitments will you make to ensure that the workers in your new campus will have a voice at work and that youth in the community have a real pathway to work at Google in San Jose?

**A - Kent Walker** {BIO 15242895 <GO>}

We take the issue of digital skilling and making sure that there are new paths for the next generation very seriously. A lot of the work that Google.org, our philanthropic subsidiary, does is very much focused on the notion of economic empowerment and bringing skills, not just coding. But a range of different skills to the next generation of workers and learners. So we are doing that effort in the Bay Area. Even this week,

we have a variety of different programs going out to try and reach out to the community. But we also want to make sure that, that goes across the country. So we have a number of different efforts that we're very active on, on this front. Thank you for your interest and support.

**Q - Tejal Patel** {BIO 21612778 <GO>}

My name is Tejal Patel. I'm with the CtW Investment Group. I think this question would have been preferable to ask of the entire Board. But we only have management sitting up there. So if Mr. Chairman can answer it. What's the Board doing to address Alphabet's high dependence on its contractors and this growing shadow workforce, which I think one of the Verily contractors noted has led to this huge discrepancy in -- related to its workforce benefits, health insurance plans and is contributing to this idea that Alphabet doesn't value their work the same way that it does with the rest of its employees?

**A - John L. Hennessy** {BIO 1433018 <GO>}

Actually, I think probably Eileen is the best person to answer this.

**A - Eileen Naughton** {BIO 3041372 <GO>}

Yes. Probably. Well able to answer your question. So we do have a sizable workforce outside, an extended workforce. It's been reported that it's about 110,000 workers. A large proportion, 97% of that workforce, works for vendor companies like Adecco and Cognizant, large global employers. We have a structured supplier Code of Conduct with our preferred vendors. And those govern things like wage rate, time off, sick pay, parental leave now. And we've -- we are requiring a \$5,000 education tuition benefit be imposed. And we're hoping to have that rolled out by sometime next year with all of our vendors.

So this workforce is super important to Google. It's not just foodservice workers. There are architects. There are physical therapists. There are attorneys. And they are paid a fair wage relative to the market wage. So I'd like to dispel the notion that it's a second-class workforce that's predominantly underrepresented groups. It's a broad and global workforce, the largest proportion of which is outside the United States. So I respect and take your question. But we have taken real measures to ensure that supplier Code of Conduct is in place and audited each year and that the folks who work alongside Google employees have similar workplace conditions as Google employees.

**Q - Tejal Patel** {BIO 21612778 <GO>}

May I ask one clarifying question? Is -- the supplier Code of Conduct, does that apply to all of your vendors or you said a large portion of...

**A - Eileen Naughton** {BIO 3041372 <GO>}

It's applied to all of our vendors.

**Q - Tejal Patel** {BIO 21612778 <GO>}

Okay. That they would receive health insurance benefits, PTO and things like that?

**A - Eileen Naughton** {BIO 3041372 <GO>}

Yes. That -- we introduced that new work condition around extended health benefits, parental leave and educational reimbursement in April. We are renegotiating contracts with all of our vendors to make sure that happens. The largest of them that supply to the bulk of our workforce, extended workforce, those terms have been -- are in place. And we expect that to be converted by January 1.

**A - John L. Hennessy** {BIO 1433018 <GO>}

The last question.

**Q - Unidentified Participant**

Hi. I'm just curious as to what the rationale was behind deciding to enforce arbitration for Googlers but not for all employees in Alphabet.

**A - Kent Walker** {BIO 15242895 <GO>}

So I can take that one. We have, at the time, made the change to ending forced arbitration, as you noted, effective as of this spring. At the time we did that for our employees, we communicated to our outside vendors who employ the extended workforce that Eileen referred to that we were doing this. We don't control those terms and conditions of employment, of course. But we hope that many of them will follow the path that we've laid out.

**Q - Unidentified Participant**

What about Verily or Waymo or ones you do control?

**A - Kent Walker** {BIO 15242895 <GO>}

Yes. So individual Alphabet subsidiaries are differently positioned or make their own decisions here. But I think the general direction of travel has been clear. And we've laid out our approach for Google.

**A - John L. Hennessy** {BIO 1433018 <GO>}

Okay if it's quick.

**Q - Patrick Doherty** {BIO 14001405 <GO>}

Yes. Real quick. It's Patrick Doherty from New York. 15 years ago, I attended my first Google AGM to present New York's concern over the company's cooperation with Chinese government censorship. And the conflict that, that collusion placed was -- and we made to the point that, that collusion constituted an inconsistency with the company-stated values. Subsequently, the company concluded that it could not continue to operate in China under these conditions. And we, in New York, hope that the company continues to remember that commitment that was made and its own values in this context. Thank you.

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**A - John L. Hennessy** {BIO 1433018 <GO>}

Thank you. Well we are ready to adjourn the meeting. Thank you, all for attending and thank you for your support of Alphabet. Have a great day.

(Portions of this transcript that are marked (Interpreted) were spoken by an interpreter present on the live call.)

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