

Give Each Share an Equal Vote

Alphabet 2022

RESOLVED:

Shareholders request that our Board take all practicable steps in its control to initiate and adopt a recapitalization plan for all outstanding stock to have one vote per share. We recommend that this be done through a phase-out process in which the board would, within seven years or other timeframe justified by the board, establish fair and appropriate mechanisms through which disproportionate rights of Class B shareholders could be eliminated. This is not intended to unnecessarily limit our Board's judgment in crafting the requested change in accordance with applicable laws and existing contracts.

SUPPORTING STATEMENT:

In our company's multi-class voting structure, Class B stock has 10 times the voting rights of Class A. As a result, Mr. Page and Mr. Brin currently control over 51% of our company's total voting power while owning less than 12% of stock – and will continue to do so even though they have stepped down from leading our company. This raises concerns that the interests of public shareholders may be subordinated to those of our co-founders.

Due to this voting structure, our company takes public shareholder money but refuses shareholders an equal voice in our company's management. For example, it was primarily the weight of the insiders' 10 votes per share that permitted the creation of a non-voting class of stock (class C) despite the fact that the "majority of [shareholders] voted to oppose the maneuver." *The New York Times* reported that "only about 12.7 percent of Google's Class A stockholders — other than Mr. Brin, Mr. Page and other Google directors and employees — voted in support of issuing the Class C stock ... With little regard for the shareholders' opinion, Google continued with the plan."

A variety of corporate governance experts illustrate a growing concern about multi-class share structures:

- As of July 2017, the S&P Dow Jones Indices announced that certain indices will no longer add companies with multiple share class structures;
- The Council for Institutional Investors (CII) recommends a seven-year phase-out of dual class share offerings. The International Corporate Governance Network supports CII's recommendation "to require to a time-based sunset clause for dual class shares to revert to a traditional one-share/one-vote structure no more than seven years after a company's IPO date."
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- The Investor Stewardship Group recommends that "shareholders should be entitled to voting rights in proportion to their economic interest" and "boards should have a strong, independent leadership structure."
- As of September 26, 2021, Institutional Shareholder Services (ISS), which rates companies on governance risk, gave our company a 10, its highest risk category, for the Governance QualityScore.

Shareholders are encouraged to vote FOR this good governance request to allow better shareholder oversight.