

## **Establish a Risk Oversight Committee Alphabet**

**WHEREAS:** Alphabet Board’s Audit and Compliance Committee (“Committee”) is charged with overseeing “Alphabet’s major risk exposures, including financial, operational, data privacy and security, competition, legal, regulatory, compliance, civil and human rights, sustainability, and reputational risks.”

Nevertheless, increasing concern regarding the impact on public well-being of Alphabet’s data privacy, content management, corporate transparency, and artificial intelligence (“AI”) operations raise doubts about the Committee’s ability to oversee those issues.

Numerous lawsuits allege Google deceived consumers and invaded their privacy by tracking their location data. Google settled one such case with 40 state attorneys general for \$391.5 million, another with Arizona for \$85 million, and an Illinois-based class action over violations of a state privacy law regarding misuse of Google Photos for \$100 million. Rhode Island is leading a lawsuit claiming Alphabet fraudulently concealed security vulnerabilities, such as with Google+; an appellate court found a “strong inference” top executives were aware of, but intentionally concealed, such information from investors.

The Department of Justice is investigating Alphabet for antitrust violations, Alphabet has been sued for monopolizing the online digital advertising market, and the European Union imposed a \$4.13 billion fine finding Google’s Android operating system violated competition law.

Alphabet's YouTube platform has been plagued by content management issues, including failing to remove channels disseminating antisemitic and white supremacist content, and spreading dis and misinformation globally, especially in languages other than English. Researchers have found Google’s ad platforms a critical source of funding for covid, climate, election, and other disinformation websites, yet opaque to those seeking to monitor advertisers potentially violating the platform’s terms of use.

Alphabet’s forays into AI pose other risks. The White House “Blueprint for an AI Bill of Rights” recommends the use of AI consider safety, avoid discrimination, protect data privacy, inform users when its being applied, and allow people to opt out of AI interaction. Yet Google forced out researchers who identified racial bias in AI and raised ethical concerns regarding testing of an AI chatbot.

**RESOLVED:** Shareholders request the Board commission an independent assessment of the role of its Audit and Compliance Committee in ensuring effective Board oversight, above and beyond legal compliance, of material risks to public well-being from company operations.

**Supporting Statement:** The review should be conducted at reasonable expense and publish a public report, omitting confidential or privileged information, by September 1, 2024.

Proponents recommend the review assess the extent to which the Committee has implemented or may implement best practices for corporate risk. The report should recommend any appropriate mitigation measures such as additional access to internal and external experts, director training, increasing the frequency of Committee engagement or delegating risk issues to a separate board

committee, and providing an avenue for employees to anonymously report issues to the board or Committee.

Vote YES on this proposal to protect investor value through authentic risk oversight at Alphabet.