

Google

# European Union NFRD Report 2023

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## Reporting principles

We're issuing this report pursuant to the European Union (EU) non-financial reporting directive (NFRD) 2014/95/EU. This report covers the global operations of Google and all its subsidiaries. Google LLC itself is a subsidiary of Alphabet Inc. In 2023, Google Sweden AB, Google Denmark ApS, Dapsi International ApS, and Google Spain SL are each required to report under Directive 2014/95/EU, according to the Swedish Annual Accounts Act (1995:1554) (Sw.Årsredovisningslagen), the Danish Financial Statements Act Section 99a and Section 99d (Årsregnskabsloven), and the Spanish Law 11/2018 which amends Article 49 of the Spanish Commercial Code (Código de Comercio).

This report includes summary information on Google's environmental initiatives, employee matters, social impact, respect for human rights, data ethics, and anti-corruption and bribery matters. When available, data covers our 2022 fiscal year (January 1 to December 31, 2022). When 2022 data is not yet available, such as for most of our environmental data, data covers our 2021 fiscal year (January 1 to December 31, 2021).

For more detailed information on any of these topics, see Google's [Commitments page](#), which highlights our work across five areas: Building belonging, Expanding opportunity, Protecting users, Responding to crises, and Advancing sustainability. [Our Reports database](#) contains our public reports pertaining to these five areas. Links to additional information about our commitment to corporate responsibility can be found on [Alphabet's Investor Relations page](#).

# Google's business model

Google's mission is to organize the world's information and make it universally accessible and useful. Alphabet is a collection of businesses – the largest of which is Google. Google is reported in two segments – Google Services and Google Cloud.

Our Google Services segment generates revenues primarily by delivering both performance advertising and brand advertising. We continue to focus on growing revenues beyond advertising, including revenues from Google Play, Hardware, and YouTube subscriptions. Our Google Cloud segment generates revenues from fees received for Google Cloud Platform services, Google Workspace collaboration tools, and other enterprise services. Google operates in the United States; EMEA (Europe, the Middle East, and Africa); APAC (Asia-Pacific); and Other Americas (Canada and Latin America).

For more information on Google's business model, see [Alphabet's 2022 Annual Report](#).

# Environmental initiatives

We believe that every business has the opportunity and obligation to protect our planet. Environmental sustainability is one of our core values at Google, and we strive to build environmental sustainability into everything we do. We've been a leader on environmental sustainability and climate change since Google's founding more than 20 years ago.

## Our strategy

Making information universally accessible and useful and driving innovation forward is foundational to our environmental sustainability strategy. Our strategy focuses on three areas: empowering people to take action, driving impact with our partners, and operating our business sustainably.

### *Empowering people to take action*

People are turning to Google for answers on how to live more environmentally sustainably, with Search interest in terms like electric vehicles, solar energy, and thrift stores reaching new highs globally over the past year. We're empowering people with the context they're seeking to help [make more environmentally sustainable choices](#). We introduced [eco-friendly routing](#) in Google Maps; new features to [book flights](#) or purchase appliances that have lower carbon footprints; and when people come to Google Search with questions about climate change, we show information from authoritative sources like the United Nations.

### *Driving impact with our partners*

We're providing partners with information to reduce their emissions, help advance transformative technology for climate action, and build tools to

enable communities to address extreme weather events. A few examples include:

- A [collection of tools](#) we've built to help Google Cloud customers accurately report the carbon emissions associated with their Google Cloud usage and take action to reduce their carbon footprint.
- We're building tools to unlock data and inform long-term planning – like our [Environmental Insights Explorer](#), which provides actionable climate data to nearly 42,000 cities and regions worldwide.
- We're working with numerous research and nonprofit organizations to map the world's forests, oceans, watersheds, and air quality, then helping to get that information into the hands of decision-makers. We do this by working with partners to build tools like [Global Forest Watch](#), [Global Fishing Watch](#), [Global Surface Water Explorer](#), [Freshwater Ecosystems Explorer](#), and [Global Fibre Impact Explorer](#).
- Additionally, through Google.org, we've funded numerous initiatives and organizations to support climate action, access to clean energy, and conservation. In 2022, we launched a \$30 million [Google.org Impact Challenge on Climate Innovation](#), supporting nonprofits and social enterprises that accelerate advances in climate information and action, driven by open data, artificial intelligence ("AI"), machine learning, and other digital tools.

#### *Operating our business sustainably*

When it comes to environmental sustainability at Google, we aim to lead by example. We're building on our leadership in climate and clean energy by setting ambitious goals to reduce our own emissions and accelerate the global transition to net-zero.

In 2021, we [announced](#) our goal to achieve [net-zero emissions](#) across all of our operations and value chain, including our consumer hardware products, by 2030. We aim to reduce 50% of our combined scope 1, scope 2, and scope 3 absolute emissions (versus our 2019 baseline) before 2030, and plan to invest in nature-based and technology-based carbon removal solutions to neutralize our remaining emissions. We've submitted a formal commitment to the [Science Based Targets initiative](#) (SBTi) to seek their validation of our absolute emissions reduction target.

Google's data centers are the heart of our company, powering products like Search, Gmail, and YouTube for billions of people around the world, 24/7. In 2022, the average annual PUE (power usage effectiveness) for our global fleet of data centers was 1.10, compared with the [industry average of 1.55](#) – meaning that Google data centers use about 5.5 times less overhead energy for every unit of IT equipment energy.

From 2010 to 2021, we signed more than 60 power purchase agreements totaling more than 7 gigawatts of renewable energy, and as of 2021, we've achieved five consecutive years of 100% renewable energy annual matching. Over that same period, we also committed approximately \$6 billion to purchase clean energy from wind and solar projects globally through 2040.

To go further and work to eliminate carbon from our electricity supply, we set ourselves a new goal in 2020: to operate our data center and office campuses on carbon-free energy, 24 hours a day, 7 days a week, 365 days a year – all by 2030. This is part of our broader net-zero goal, and we call it 24/7 carbon-free energy. To achieve this, we'll need to evolve from matching our annual energy consumption with renewable energy to sourcing carbon-free energy every hour of every day. Our 24/7 carbon-free energy efforts are already driving transformations beyond our own operations, helping to transition energy systems globally.

To benefit the people and places where we operate, we've [set a goal](#) to replenish 120% of the water we consume, on average, across our offices and data centers by 2030, and to support water security in communities where we operate. We're focusing on three areas: enhancing our stewardship of water resources across Google office campuses and data centers; replenishing our water use and improving watershed health and ecosystems in water-stressed communities; and sharing technology and tools that help everyone predict, prevent, and recover from water stress.

At Google, just as we focus on users in designing our products, we focus on our employees in creating healthy workplaces, from our San Francisco Bay Area headquarters to Google offices and data center locations at diverse sites in more than 190 cities around the world. At the end of 2022, over 1.8 million square meters or nearly 20 million square feet of Google office facilities had achieved Leadership in Energy and Environmental Design (LEED) certification. We take a science- and community-driven approach to managing land use on our campuses, aiming to positively impact the places where we operate by designing and building our offices with [local ecology](#) and [landscape resilience](#) in mind. For example, we've developed science-based Habitat Design Guidelines, which we apply to our Bay Area campus design process. By the end of 2021, we'd implemented these guidelines across our headquarters, resulting in the planting of over 2,500 new native trees and the creation of 15 acres of new site-appropriate habitat.

To accelerate the transition to a [circular economy](#), we're working to [maximize the reuse of finite resources](#) across our operations, products, and supply chains and to enable others to do the same. We're applying our circular economy principles to design out waste, keep products and materials in use, and promote healthy materials and safe chemistry. One such example is our efforts to reduce waste in our kitchens and cafes. By 2025, [we aim](#) to cut food waste in half for each Googler and send zero food waste to the landfill.

### **Environmental sustainability governance and risk management**

Oversight of environmental sustainability primarily resides with our Audit and Compliance Committee, which reviews and discusses with management our risk exposures, including those related to environmental sustainability.

In April 2021, we formally [expressed our support](#) for the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework, including its seven principles for climate disclosures, as an important tool to allow stakeholders to understand how we manage risks and opportunities associated with climate change. In 2017, we conducted climate risk assessments for our physical assets that consider various time horizons. This process included a global assessment of the impact of sea level rise, flooding, drought, temperature, and water stress on our real estate operations. In 2020, we updated this assessment to include various climate scenario analyses to evaluate the potential impact on twenty-six priority office sites and twenty-three data center locations. In 2022, we began updating our climate risk assessment (including physical and transition risks) to align efforts with the company's overall enterprise risk management process as we continue to align our disclosures and adopt the recommendations of the TCFD.

As part of our climate-related risk assessment, we identified that an example of a potential technology-related risk could be maintaining the environmental performance of data centers as demand for digital products, and the amount of computing power needed to run these applications, increases. However, we've worked for more than a decade to make Google data centers some of the most efficient in the world and have striven to improve their environmental performance even as demand for our products has dramatically risen.

For more information about our environmental sustainability initiatives, risk assessments, and key performance indicators, see our [2022 Environmental Report](#), [2022 CDP Climate Change Response](#), and our [Accelerating Climate Action at Google and Beyond](#) white paper.

## Employee matters

We recognize that our employees are our best assets and critical to our continued success. Our ability to compete effectively and our future success depend on our continuing to identify, hire, develop, motivate, and retain highly skilled personnel for all areas of our organization. We invest in hiring talented individuals, and we seek to hire people with diverse backgrounds and perspectives.

Google's [Code of Conduct](#) provides a guide as to how our employees are expected to put Google's values into practice as they pursue the company's mission. This includes respect for one another and for our users. Employees are expected to create and preserve a workplace culture that's free of harassment, intimidation, bias, and unlawful discrimination. Our employees at all levels of the organization, and members of our extended workforce, are required to complete our Code of Conduct training on a biennial basis, and we offer unconscious bias training.

In an effort to accelerate our commitments to be a representative, equitable, and respectful workplace, we worked to increase transparency around Googlers' concerns and how we handle them, and to increase support for people who raise concerns. In 2019, we updated our Internal Investigations Report to include a section that provides detail about internal sexual harassment investigations as well as expanded sexual harassment scenarios that reflect examples of the types of conduct that may result in termination of employment. We've also publicly shared our [Policy on Harassment, Discrimination, Retaliation, Standards of Conduct, and Workplace Concerns](#) as well as our processes and channels for raising and investigating concerns. A global Investigations Care team, the Employee Assistance Program, workplace accommodations, and leaves are all options available to Googlers who may need them.

In 2020, we announced [new workplace commitments](#) that continue to build on our efforts to handle concerns with care and foster respect in the workplace. This reflects the Alphabet Board's agreement on a series of principles and improvements that incorporated input from both employees and stockholders, including the creation of a new Diversity, Equity, and Inclusion (DEI) Advisory Council, which comprises internal senior executives and external DEI experts. As of 2022, all of these changes have gone into effect, subject to local laws and requirements. The Board reviews the effectiveness of our sexual harassment and retaliation prevention programs and proposed changes.

We remain steadfast in our efforts to embed belonging more deeply into our company and our communities. We're all in, focusing on continuing this

work responsibly to create systems and lasting change that not only shape a more equitable Google, but a more equitable world. When we get this right, we ensure that everyone feels like they belong at Google and beyond.

We're also proud to support the Employee Resource Groups (ERGs) that provide additional support and community for underrepresented employees and their allies. Collectively, more than 35,000 employees across 52 countries actively participate as members of our 17 ERGs. These Googler-initiated networks are passionate about promoting diversity, equity, and inclusion at Google.

We're deepening our efforts to hire and retain underrepresented communities at Google, including women in tech all over the world and Black+ and Latinx+ people in the U.S. For example, since we began reporting, representation of women in tech roles at Google has grown from 16.7% in 2014 to 25.3% of our global tech workforce in 2022. In 2020, we made [new commitments](#) to build a more inclusive and equitable workplace at Google, and we've made significant progress toward those goals. For example, we set a goal to improve leadership representation of Black+, Latinx+, and Native American+ in the U.S. by 30% by 2025, and we've already reached our goal.

For more information on our diversity efforts, see [Google's Diversity Annual Report](#).

We aim to empower employees to act on great ideas regardless of their role or function within the company, and we provide training that helps them develop the skills to do so. We have an e-learning curriculum and conduct "Googler-to-Googler" training sessions, where people learn new skills from their colleagues. Google subsidizes outside studies related to an employee's job responsibilities and – because we believe that fostering curiosity is key to success – also for employees to engage in external training unrelated to their function.

In terms of physical resources, we build our offices with the goal of providing our employees with a first-rate work environment, and we engage in a process of continuous re-evaluation with respect to design and functionality to meet the needs of our people.

Employee health is extremely important; we want our employees to live happy and healthy lives, both in and out of work. Our benefits programs are designed to give employees control over their health and well-being and to make it easy for them to take care of themselves and their families. Globally, new parents, regardless of gender, receive a minimum of 18 weeks of fully paid leave to bond with their child (birth parents receive an additional six weeks of pregnancy recovery time).

In addition, all new parents globally benefit from a two-week gradual return policy (ramping back to work part-time at a full-time salary) and can choose flexible working options, such as part-time working, job sharing and extended work from home for 90 days. We provide mothers rooms in every office for



nursing parents, equipped with breast pumps and refrigerators. We also provide baby-bonding benefits, which is a sum of money given to Googlers who are new parents to help pay for services that support them during the first period of being a parent (e.g., house cleaning, healthy take-out food) to allow them to maximize the time and energy they can spend with their new family member. Parents and caregivers are also able to use 20 days of backup care (refreshed each year) when their regular care isn't available.

Googlers are invited to share their feedback about their overall workplace experience through a monthly survey sent to a sample of employees. Every employee is invited to participate in at least one survey during the year. Aggregated results are accessible to leaders and relevant decision-makers. The results are used to surface concerns, and every year, we make changes based on feedback.

## Social impact

We know that diversity and inclusion are values critical to our success and future innovation. We also know that challenging bias – inside and outside our organization – is the right thing to do. That's why we continue to support efforts that fuel our commitments to progress. These commitments require us to look at bias through a wider lens: at Google, in the industry, and in society. And while progress takes time, our actions today will determine who we are in the future.

Google has set company-wide goals on product accessibility and continues to emphasize disability inclusion in our workforce. In 2019, we held our first ever Global Disability Alliance ERG summit. This gathering was an opportunity for employees from around the world to come together to collaborate and discuss strategies for disability inclusion at work and for improving accessibility in our products and workplace.

In 2019, we participated for the first time in the [Disability Equality Index](#), which serves as a comprehensive benchmarking tool for disability inclusion. We were proud to earn a perfect score on this index in 2019, 2020, 2021, and again in 2022, and we're committed to making every Googler feel welcome and included.

Around the world, Google engineers, designers, and marketers are working to understand the needs of communities that have been underrepresented in tech. Because we're building products for billions of users who may not look or act or think like the teams building them, we need to make sure we're bringing different perspectives to the table at key points in the process. We're making sustained efforts to drive inclusion by design to enable inclusive products such as the Google Assistant. Launched in 2016 and now available in more than 95 countries and over 29 languages, Google Assistant helps more than 700 million people every month to get things done

across smart speakers and Smart Displays, phones, TVs, cars, and more. Before launch, the product team worked with our product inclusion team and ERGs to avoid stereotypes, historical biases, offensive language, and hate speech.

We also work with external partners to provide digital skills training for everyone, aimed at helping people find jobs and grow their business and career. For example, our [Grow with Google](#) workshops are designed to help ensure that everyone is able to participate in the digital economy. We offer training programs on topics ranging from basic online skills, like how to get online and how to reach customers with email, to more advanced topics. Google [Career Certificates](#), a program we launched in 2018, is focused on equipping people with job-ready skills in fields like data analytics, IT support, project management, digital marketing, and UX design within three to six months, with no degree or experience required. Based on U.S. survey responses in 2022, 75% of program graduates report an improvement in their career within six months of certificate completion.

In 2022, we continued to partner with women's student organizations – as well as student organizations focused on people with disabilities, ethnic minorities, Black+ and LGBTQ+ communities, and other underrepresented demographics – across over 450 universities in North America and EMEA. Through scaled outreach via [Careers OnAir](#), we expanded our reach to more than 1,000 universities globally, ensuring access to resources and programming for any student, regardless of the university they attend. Also in 2022, Google's Women Techmakers program reached women around the world through more than 1,600 community events designed to provide visibility, community, and resources to help all women in tech thrive.

Furthermore, in November 2021, Google.org announced the funding recipients for the global \$25 million Impact Challenge for Women and Girls, supporting nonprofits and social organizations around the world that are working to advance the economic empowerment of women and girls and create pathways to prosperity. Impact Challenge grantees received funding, mentoring from Googlers, Ad Grants, and additional support to bring their ideas to life.

In 2022, we set a public commitment of spending \$2.5 billion with diverse-owned suppliers, while expanding our program beyond the U.S. to include suppliers from historically underrepresented groups around the world. We exceeded that goal by spending \$2.8 billion with diverse-owned suppliers. Since 2015, Google.org has directed more than \$40 million in cash grants and 50,000 pro bono hours through the Google.org Fellowship to support organizations in the fight for racial justice. Among them were \$1 million grants each to The Leadership Conference Education Fund, the NAACP Legal Defense Fund, the NAACP Educational Fund's Policing Reform Campaign, and the Center for Policing Equity.

In 2022, to support nonprofits, intergovernmental organizations, and governments, Google.org donated more than \$1.8 billion in Ad Grants. Since 2003, Ad Grants has provided nonprofits with up to \$10,000 per month in free Search ads to help them attract donors, recruit volunteers, and promote their missions.

## Respect for human rights

We're committed to respecting the human rights enshrined in the [Universal Declaration of Human Rights](#) and its implementing treaties, as well as upholding the standards established in the [United Nations Guiding Principles on Business and Human Rights](#) (UNGPs), the [International Labour Standards](#) (ILO), and in the [Global Network Initiative \(GNI\) Principles](#).

Our work on civil rights and human rights is conducted through our Human Rights Program, a central function consisting of experts in the field supporting our efforts to ensure that we're meeting our compliance obligations and commitments that are in adherence to the UNGPs, GNI Principles, and other civil and human rights instruments. The Human Rights Program develops and advances company-wide strategy on civil and human rights, advises product teams on potential civil and human rights impacts, conducts human rights due diligence, and engages external experts and stakeholders.

Dedicated personnel covering product, regional, and functional areas are responsible for the day-to-day operations of protecting our users and ensuring compliance with legal requirements. Senior management develops the strategy around and oversees the implementation of civil and human rights commitments and GNI Principles at Google and provides relevant updates to the members of the Audit and Compliance Committee of Alphabet's Board of Directors in accordance with its Charter, which was amended in 2020 to explicitly include risk oversight of civil and human rights issues. The Audit and Compliance Committee also provides pertinent reports to the full Board of Directors.

We continually enhance and evolve our implementation of our human rights programs. For example, we established a Human Rights Executive Council to provide oversight and guidance to our Human Rights Program on global human rights and domestic civil rights in the United States. Council members represent key product areas and functions across Google, and regularly hear from the leaders of the Human Rights Program. More information on our human rights commitments can be found at [Google: Human Rights](#).

We believe restrictions on the freedom of expression should be consistent with international human rights laws and standards, adhering to principles of legality, legitimacy, necessity and proportionality. We also believe that laws

around government surveillance of user information should be [narrowly tailored, transparent, and subject to oversight](#). We publish [Transparency Reports](#), with the mission of sharing data that sheds light on how the policies and actions of governments and corporations affect privacy, security, and access to information. We explore ways to improve our transparency reporting, and in 2021, we issued supplemental information to our Transparency Report focusing on [geofence warrants in the United States](#).

We also continue to innovate around product-specific transparency, with YouTube's industry-leading transparency reporting on how it enforces the [Community Guidelines](#). We're committed to tackling the challenge of quickly removing content that violates our Community Guidelines and reporting on our progress. That's why, in April 2018, we launched a quarterly [YouTube Community Guidelines enforcement report](#). And in 2021, YouTube [released](#) a new metric called Violative View Rate (VVR) as part of our Community Guidelines enforcement report. VVR helps us estimate the percentage of the views on YouTube that come from violative content.

We're founding members of [GNI](#), a multi-stakeholder nongovernmental organization working to advance free expression and privacy. The GNI Principles are informed by the UN Guiding Principles on Business and Human Rights, and they concretize Information and Communication Technology companies' responsibility to respect and protect the freedom of expression and privacy rights of their users. As part of GNI, we work to support and promote human rights, including through improved responsible decision-making, shared learning, and multi-stakeholder collaboration. As a GNI member, Google is subject to a periodic assessment by an independent party to review how the company integrates GNI Principles into our governance, due diligence, risk management, and operational practices. Based on this assessment, the GNI Board determines and [states publicly](#) whether sufficient efforts are made to implement the GNI Principles. In 2022, we underwent our fourth assessment, and the GNI determined that we're making good-faith efforts to implement the [GNI Principles](#) with improvement over time.

### **Human Rights & Emerging Technology**

Frameworks such as the [Google AI Principles](#), which we announced in June 2018, help to guide the assessment of emerging risks and the ethical development of our AI work. In addition to seven objectives for AI applications, we've identified four AI applications we will not pursue, including designing or deploying AI in technologies whose purpose contravenes widely accepted principles of international law and human rights. The principles serve as an ethical charter to guide our research, product development, and business decisions. We [established](#) a formal [review structure](#) to assess new projects, products, and deals for alignment with the principles. This diverse

and inclusive structure includes senior executives, user researchers, social scientists, ethicists, human rights specialists, policy and privacy advisors, legal experts, and senior experts from a variety of other disciplines.

In December 2022, we published our [4th annual AI Principles Progress Update](#) – our review of our commitment to responsibly develop AI. Our latest report involves our most comprehensive look at how we put the AI Principles into practice as we develop emerging technologies.

Finally, we seek to apply technological innovation to advance social good in the global communities and contexts in which we operate. Thus, we support technology-focused social impact projects and provide resources to help nonprofits tackle challenges such as human trafficking, education, and economic development through Google's [AI for Social Good](#) program and [AI Impact Challenge](#).

### **Human Rights in our Operations & Supply Chain**

At our foundation, Google's Code of Conduct sets forth our expectations for employees regarding privacy, security, freedom of expression, discrimination, harassment, corruption, and compliance with all laws, including anti-modern-slavery legislation. The Code encourages employees to raise questions or concerns and to report suspected violations. Employees failing to follow the Code can be subject to disciplinary action, including termination of employment. Failure of a Google contractor, consultant, supplier, or other covered service provider to follow the Code in connection with their services to Google can result in termination of their relationship with Google. Our Code of Conduct training reinforces the expectation that employees and members of our external workforce (temporary workers, vendors, and independent contractors) – collectively, "our workers" – follow applicable laws and report concerns of illegal or unethical activity.

We're committed to maintaining a culture that encourages employees and others to report concerns related to violations of our Code of Conduct, policies, or laws, including our human rights commitments. That's why we've adopted and promoted policies that strictly prohibit retaliation of any kind for raising such concerns or for participating in an investigation relating to such concerns. When we learn about a potential violation of our policies or Code of Conduct, we look into the concern consistent with our robust process for carefully investigating such allegations and then make appropriate remedial recommendations. Throughout this process, we keep information, including the identity of the individuals raising the concern, as confidential as possible, sharing only on a need-to-know basis. Our employees and members of our extended workforce are required to complete our Code of Conduct training on a biennial basis. The training covers topics such as how to conduct due diligence to identify and avoid working with third parties that engage in modern slavery or other illegal practices.

Our commitment extends beyond our own practices to those of our suppliers. We have a [Supplier Code of Conduct](#) (the “Supplier Code”), which is based on the [Responsible Business Alliance \(formerly the Electronic Industry Citizenship Coalition\) Code of Conduct](#); international standards, such as the UN Guiding Principles on Business and Human Rights, ILO International Labour Standards, and the Universal Declaration of Human Rights; and our own values. The Supplier Code sets expectations designed to establish a baseline of norms and practices that protect labor and human rights, health and safety, environmental concerns, ethics and compliance, and the adoption of management systems. Annually, Google evaluates and audits a portion of our suppliers against these standards to ensure conformance and compliance with them.

We expect our suppliers to source only from conflict-free smelters, such as those that are compliant with Conflict-Free Smelter Program assessment protocols, and work with suppliers to achieve conflict-free sourcing. Alphabet’s [Conflict Minerals Policy](#) directs suppliers to perform due diligence on the source and chain of custody of minerals used to manufacture products for Google. Google’s due diligence evaluates new and existing risks against industry standards and compliance obligations. Google communicates identified risks to our suppliers and internal executive teams at least annually.

Our [Policy Against Modern Slavery](#) defines modern slavery, gives a concrete list of prohibited actions, and provides reporting channels for suspected instances of modern slavery. Our Chief Compliance Officer maintains oversight of the anti-modern-slavery program and provides quarterly updates on the status of the program to our Trust & Compliance Steering Committee, composed of senior executives from across our business. Our Chief Compliance Officer also provides relevant updates to the Audit and Compliance Committee of Alphabet’s Board of Directors, which, in accordance with its Charter, has oversight of risks associated with, among other matters, human rights. Our annual Statement Against Modern Slavery, which provides more detail on our efforts to ensure that modern slavery is not taking place in our supply chains and business operations, can be found on our [Supplier Responsibility](#) page.

We continually assess human rights risk in our business and supply chains. Our assessments identify higher risk areas of our business based on external reports and standards, country and sector risk profiles, previous assessments, and input from experts in this area. In addition, to assess supplier-specific risk, we consider the industry, work type, geography, and supplier performance against our Supplier Code, among other factors.

We conduct due diligence on suppliers identified as having higher risk based on the assessments described above. Our due diligence process is conducted at supplier onboarding and on a continuous basis; it involves assessing suppliers for social, environmental and ethical risks, including modern slavery risks. If we discover red flags, we conduct extensive and documented follow-ups to address these issues. In certain cases, we may decide to no longer pursue a relationship or to terminate our current relationship with a supplier.

We perform periodic independent third-party audits at hardware and non-hardware suppliers' facilities. The audits include in-depth tours, meetings with management, worker interviews, document reviews, and assessments of related areas, such as dormitories, cafeterias, wastewater treatment facilities, and warehouses. The audit protocol is designed to assess suppliers' performance in the areas covered by our Supplier Code, including human rights risk. We investigate any issues identified during the audit, and when we find that a supplier is not conforming to our expectations, we expect the supplier to provide a corrective action plan that outlines the root cause of the finding, how and when the supplier will resolve the issue, and what steps will be taken to prevent recurrence.

Employees in roles related to hardware supplier management complete an online training course on our Supplier Code of Conduct and Supplier Responsibility Program that includes anti-modern-slavery education. In 2022, we published our sixth annual [Supplier Responsibility Report](#). This report provides detailed information about our above-mentioned efforts.

## Data ethics

We strive to protect our users' privacy, free expression, and secure access to the web when they use Google products. We outline how we safeguard privacy and security on our [safety site](#), give users control over their information through [Google Account](#), and detail our efforts toward protecting online expression and access to information in our [statements on freedom of expression](#).

We regularly update and improve our [Privacy Policy](#), making it easier to understand, adding informative videos that explain our practices, and embedding key privacy controls directly in the text. We also updated the privacy and security settings in Google Account, which ensures users can easily see their data and set their preferences for how Google should store and use their information, including pausing or deleting Search or YouTube history or disabling personalized ads. In 2019, we introduced [auto-delete controls](#), which give users the choice to have Google automatically and continuously delete their Location History, search, voice, and YouTube activity data after 3 months or 18 months. In 2020, we made auto-delete the default for our core activity settings and announced [updates](#) to many of our privacy tools, including Google Account controls directly from Search, easier



access to Incognito mode, more proactive privacy controls, and others. In 2022, we launched My Ad Center which helps people control the kinds of ads they see across Google on Search, YouTube and Discover. It also allows them to limit ads from sensitive categories and learn more about the information used to personalize their ad experience. My Ad Center builds on our core privacy principles by giving users the ability to see and control what information is used to personalize the ads users see. In 2021, we rolled out [end-to-end encrypted calling](#) between Android phones on Google Fi and new and stronger safe browsing for Android Messages and Chat, and in 2022 we expanded our [VPN](#) services to cover a total of 22 countries. We continue to develop and improve these and other tools to make them more robust and intuitive.

## Anti-corruption and bribery matters

Google recognizes that corruption adversely impacts economic growth and disproportionately harms the most vulnerable people and communities around the world.

As with our modern slavery efforts, Google's Chief Compliance Officer oversees a legal team dedicated to preventing corruption in the company's business operations and supply chain. The Chief Compliance Officer provides quarterly updates to the Trust & Compliance Council, and relevant updates to the Audit and Compliance Committee of Alphabet's Board of Directors.

Google's Code of Conduct requires compliance with anti-bribery laws, such as the U.S. Foreign Corrupt Practices Act and the UK Bribery Act 2010. We also have an Anti-Bribery and Government Ethics Policy, which prohibits bribery and facilitation payments in our business operations and requires legal pre-approvals for certain types of government-related expenses. A Google employee, contractor, service provider, supplier, or vendor who directly or indirectly gives, offers, or promises anything of value to anyone, including government officials, with the corrupt intent to obtain or retain any improper advantage will be disciplined up to and including termination of employment or business relationship.

We continually strive to assess corruption risk in all facets of our business. As with other companies in our industry, bribery and corruption risks posed by working with third parties and intermediaries remain a significant corruption risk to Google.

We undertake a number of efforts to mitigate the risk of bribery and corruption both in our company's operations as well as in our supply chain.



Below are a few key examples:

- We maintain an anti-bribery third-party due diligence program, where we conduct documented, risk-based due diligence pertaining to the engagement of third parties and channel partners.
- We routinely inform business partners of Google's commitment to abide by anti-bribery laws and seek a reciprocal commitment from them by including anti-corruption compliance language in our contracts.
- We strive to provide risk-based anti-bribery training for employees in relevant functions at all levels of the company. Our Code of Conduct training, which all employees and members of our extended workforce are required to complete on a biennial basis, contains an anti-bribery module. We also periodically supplement our online trainings with live instruction. In 2022, Google had a Code of Conduct training compliance rate of 98% and an anti-corruption training compliance rate of 98%.
- We conduct periodic reviews of the anti-bribery compliance program, taking into account relevant developments in the business and field, as well as evolving international and industry standards.
- We conduct periodic and documented testing of relevant controls and sampling of high-risk transactions.
- We implement appropriate processes and due diligence procedures to analyze potential bribery risks associated with proposed mergers and acquisitions, joint ventures, investments, and consortia.
- Finally, as previously mentioned, we maintain multiple reporting channels whereby employees can raise questions or concerns about the Code of Conduct or our anti-bribery policy and report suspected violations.

Google also maintains a policy to implement a risk-based Anti-Money Laundering and Counter-Terrorist Financing Program that's reasonably designed to prevent Google from being used to facilitate money laundering and finance terrorist activities. This policy ensures compliance with the Bank Secrecy Act, EU Money Laundering Directives, the Office of Foreign Assets Control, and other related legal obligations.

Financial integrity and fiscal responsibility are core aspects of corporate professionalism. This is more than accurate reporting of our financials, though that's certainly important. Each person at Google – not just those in Finance – has a role in making sure that money is appropriately spent, our financial records are complete and accurate, and internal controls are honored. To make sure that we get this right, Google maintains a system of internal controls to reinforce our compliance with legal, accounting, tax, and other regulatory requirements in every location in which we operate.

# Conclusion

In their [first letter to shareholders](#), our founders highlighted Google's goal to "develop services that significantly improve the lives of as many people as possible." This vision continues to guide all of us at Google. We believe in technology's power and potential to have a profoundly positive impact across the world. There's much work that remains to be done, and we'll continually strive to achieve this objective.