

Report on Content Governance

WHEREAS: With an estimated 1.2 trillion searches per year worldwide – and billions of users – Alphabet Inc.’s Google sits at the center of global controversy regarding its role in Russia’s reported election interference during the 2016 United States presidential election and what experts say is an ongoing threat to the democratic process.

Shareholders are concerned that Google’s failure to have proactively addressed this issue poses substantial regulatory, legal, and reputational risk to shareholder value.

In October 2017, *Bloomberg* reported Google found evidence Russian agents bought Google ads to interfere with the 2016 presidential campaign, using YouTube and Google’s main search advertising systems.

Richard Clark, cybersecurity adviser to President George W. Bush, and Robert Knake, cybersecurity adviser to President Barack Obama, wrote: “Russia could well interfere in the 2020 presidential vote, or the 2018 midterm elections...They will be back. And when they are, we better be ready with a plan that’s suited to our current moment.”

We believe Google has an obligation to demonstrate how it manages content to prevent violations of its terms of service. Yet, disclosures have been inadequate. Content policies appear reactive, not proactive.

Congressional committees have launched multiple investigations into Russian interference. Lawmakers plan to introduce legislation to require internet companies to disclose more information about political ad purchases. A United States Senator stated, “If Vladimir Putin is using Facebook or Google or Twitter to, in effect, destroy our democracy, the American people should know about it.”

The *New York Times* reported, “Despite Google’s insistence that its search algorithm undergoes a rigorous testing process to ensure that its results do not reflect political, gender, racial or ethnic bias, there is growing political support for regulating Google and other tech giants like public utilities and forcing it to disclose how exactly it arrives at search results.”

Foreign ministers of the Group of Seven countries, including the United States, said, “we are increasingly concerned about cyber-enabled interference in democratic political processes.” Germany enacted a law with fines of up to 50 million Euros if social media platforms don’t promptly remove posts containing unlawful content. The U.K. government is considering regulating Google as a news organization.

Advertisers have raised alarms about fake user accounts. Some companies have reduced expenditures on digital advertising. Nomura Securities estimated YouTube has lost up to 750 million dollars in revenue due to advertiser fear of being associated with objectionable content.

RESOLVED: Shareholders request Alphabet Inc. issue a report to shareholders at reasonable cost, omitting proprietary or legally privileged information, reviewing the efficacy of its enforcement of Google’s terms of service related to content policies and assessing the risks posed by content management controversies, including election interference, to the company’s finances, operations, and reputation.

SUPPORTING STATEMENT: Proponents recommend the report include assessment of the scope of

platform abuses and address related ethical concerns.