REPORT ON WATER MANAGEMENT RISKS

WHEREAS: Climate change is expected to exacerbate water shortages globally. NASA, using array of satellites, has observed a distinctive pattern of the wet land areas of the world getting wetter and the dry areas in between getting dryer, increasing regional droughts, and resulting in hotspots of groundwater depletion.

Increasing drought and water scarcity poses an outsize risk to Google, whose data centers require substantial amounts of water for cooling. Our Company also faces risks due to competition for water resources by local communities or other companies or industries.

To reduce water risk and reduce costs, many large companies have developed water planning measures, water conservation programs, and reporting of water stress and water use, among other practices. Google’s 2021 Water Stewardship Report indicates an understanding of the important role of water scarcity management, describing generalized commitments to improve its operational water sustainability, including a goal to “replenish more water than we consume by 2030.”

Google further states the importance of water-related data, describing a tool it helped develop “which aims to democratize information on water resources and empower policymakers, conservation organizations, and communities to better manage water resources collectively.”

Yet, despite acknowledging the importance of these issues, our Company offers no recent reporting on its total enterprise-wide water use, nor does it disclose annual water use or other risk metrics by location. In fact, Google states that its local water use information, and its water use agreements with local governments, are trade secret. The company has claimed that public officials cannot disclose the company’s water consumption and may not respond to public record act requests seeking information about Google’s actual and proposed water use. This behavior has led to lawsuits, ill-will, and reputational damage.

Disclosure of location-specific water use metrics and management actions is the primary means by which investors can gauge whether our Company is sufficiently managing its water risk. Companies such as Coca-Cola provide in-depth water reporting including information on water-stressed areas. Google has not provided adequate information to shareholders on its location-specific water use, impacts, and actions so as to allow shareholders to accurately gauge localized water stress trends and risks, which are expected to be exacerbated by climate change.
BE IT RESOLVED: Shareholders request that Google annually report, at reasonable cost, quantitative water-related metrics by location, including data centers, and for each location, practices implemented to reduce climate-related water risk.

SUPPORTING STATEMENT: Proponents request the report disclose, at management discretion:

- Annual water use-related metrics by location, including for data centers;
- Any location-specific water reduction targets and annual progress in achieving them;
- Location-specific risk assessments and water scarcity planning;
- Any integration of water and company governance mechanisms;
- Any compensation incentives related to water use reductions.