Whereas: Regular examination of the alignment of lobbying activities (direct and indirect) with corporate public commitments and policies is an increasingly important requirement of strong corporate governance.

Resolved: Shareholders request the Alphabet Inc. Board of Directors within the next year conduct an evaluation and issue a report (at reasonable cost, omitting proprietary information) describing its framework for identifying and addressing misalignments between Alphabet's lobbying (directly and indirectly through trade associations and social welfare and nonprofit organizations) and Alphabet's commitments to mitigate climate impact and its support of the Paris Agreement, which seeks to limit average global warming to no more than 1.5 degrees Celsius by 2030. The report should include essential elements, such as the criteria used to assess alignment; the strategies used to address any misalignment; and circumstances under which these strategies are implemented.

Supporting Statement: Corporate lobbying activities inconsistent with meeting the goals of the Paris Agreement present regulatory, reputational, and legal risks to companies. Such policy engagement also presents systemic risks to economies and markets, as delays in implementation of the Paris Agreement increase the physical risks of climate change, undermine economic stability, and introduce uncertainty and volatility into our investment portfolios. We believe Paris-aligned climate lobbying helps mitigate these risks and contributes positively to the long-term value of companies.

Alphabet publicly supports the goals of the Paris Agreement, advocates for specific science-based climate policies, leads investment in carbon-free energy, and maintains a policy for Google advertisers, publishers and YouTube creators "that will prohibit ads for, and monetization of, content that contradicts well-established scientific consensus around the existence and causes of climate change."[1] Alphabet also discloses an extensive list of its memberships in trade associations and policy-focused non-profits.

Alphabet does not, however, disclose whether its lobbying practices (directly and indirectly) align with the Paris Agreement's aims or Alphabet's own carbon-free energy target, nor company actions to address instances of misalignment.

Of particular concern are industry and policy groups that represent business but too often present obstacles to global emissions reductions, and regulation or legislation addressing climate risk. A review of Alphabet's disclosed memberships[2] reveals inconsistencies with Alphabet's actions on, and commitments to, the Paris Agreement and the prevailing science. [3][4][5] For example, Alphabet discloses it is a member of the US Chamber of Commerce, which has spent nearly $1.8 billion on federal lobbying since 1998.[6] The Chamber lobbied strongly against the Inflation Reduction Act, the most ambitious climate policy in U.S. history.[7]

An alignment assessment can help to identify and address risks presented by misalignment and protect the credibility of Alphabet's leadership efforts on climate.

Thus, we urge the Board and management to conduct a comprehensive review of Alphabet's lobbying and public policy activity, assessing the degree of alignment with the Paris Agreement's objectives, and detailing clear plans for action to address any misalignment. This proposal was introduced with Alphabet last year and earned 55.6% of the outside vote.

[1] https://support.google.com/google-ads/answer/11221321?hl=en
[2] https://kstatic.googleusercontent.com/files/565eb487f8cf9f96af89a4147ee79eb4cf3989d3c3953197b1e36e65e132b57ffaebccfb03ed62c57b8ffc5cd83654686f6b5160a97d3b561bc65ce5206012e9
[3] https://cei.org/sites/default/files/20170508%20CEI%20Paris%20Treaty%20with%20logos%20-%2044%20Final.pdf
[4] https://www.aei.org/politics-and-public-opinion/its-time-to-cancel-the-climate-crisis/
[5] https://www.heritage.org/renewable-energy
[6] https://www.opensecrets.org/
[7] https://ceres.org/sites/default/files/reports/2022-11/RPE%20Report_Nov22.pdf