



# 2019 Statement Against Modern Slavery

Google LLC (Google) and its subsidiaries and controlled entities—including Google UK Ltd., Google Australia Pty Ltd., Nest Labs, Inc. (Nest), Nest Labs (Europe) Ltd., Google Payment Ltd., and DeepMind Technologies Ltd.—are committed to treating all workers with respect and dignity, ensuring safe working conditions, and conducting environmentally responsible ethical operations. As a part of our overall commitment to supporting human rights around the world, we stand against all forms of modern slavery, and we work to ensure it will not find a foothold in our supply chains and business operations

We are issuing this statement pursuant to the UK Modern Slavery Act, Australia Modern Slavery Act, and the California Transparency in Supply Chains Act, which require Google and certain of its subsidiaries to disclose efforts to ensure that modern slavery is not taking place in our supply chains and business operations. This is our fourth statement, covering our 2019 financial year (January 1 - December 31, 2019).

Google's subsidiaries and controlled entities currently participate in and are covered by the anti-modern slavery program operated by Google. As a result, statements regarding Google's efforts to ensure that modern slavery is not taking place in its supply chains and business operations—including statements regarding the company's policies, processes, and procedures—also apply to Google's subsidiaries and controlled entities unless specifically stated otherwise.

Throughout this statement, we reference "modern slavery," which includes slavery, servitude, forced or compulsory labor, and human trafficking. In addition, we reference "extended workforce suppliers" and "our extended workforce," which includes suppliers and supplier employees.

# 2019 Highlights

## ■ **Supplier Risk Assessment**

We completed a supply chain human rights risk assessment that included components specific to modern slavery.

## ■ **Responsible Supply Chain**

We published our [2019 Responsible Supply Chain Report](#).

## ■ **Charitable Giving**

Google and Googlers contributed over US\$4.5M in 2019 to 81 organizations fighting modern slavery, including those on the Global Modern Slavery list.

## ■ **Extended Workforce Reporting**

In 2019, we simplified and clarified the way our extended workforce can raise concerns by launching a dedicated platform that centralizes the internal reporting process when concerns are raised to Google.

## Structure, business, and supply chain

Google is a wholly owned subsidiary of Alphabet Inc. (Alphabet). Google's business includes our main products, such as Google Ads, Android, Chrome, Google Cloud, Google Maps, Google Play, Search, and YouTube, as well as hardware products, such as Google Nest home products, Pixelbooks, Pixel phones, and other devices. In addition, our business is supported by a significant amount of technical infrastructure, including data centers located in the U.S. and other countries. Google generates revenues primarily from advertising; sales of apps, in-app purchases, digital content products, and hardware; and licensing and service fees, including fees received for Google Cloud offerings and subscription-based products. Our anti-modern-slavery efforts require strong collaboration and engagement with our global suppliers that manufacture products or provide services on our behalf.

Google is a large purchaser of goods and services required for business operations. We work with more than 2,000 suppliers worldwide that support our business and operations, including hardware manufacturing and our extended workforce. Our philosophy is to work in partnership with all of our suppliers, empowering them to establish programs, policies, and practices that mitigate the risk of modern slavery occurring in their supply chains.

## Internal management, accountability, and programs

In 2019, our VP, Global Ethics and Compliance, oversaw a team focused on combating modern slavery in our supply chains and business operations. The VP, Global Ethics and Compliance provided quarterly updates on the status of our anti-modern-slavery program to our Compliance Steering Committee, composed of senior executives from across our business. In addition, our VP, Global Ethics and Compliance provided regular updates on our anti-modern-slavery efforts to the Audit Committee of Alphabet's Board of Directors.

Regular updates on the status of the Responsible Supply Chain Program—which includes addressing modern slavery risk—were provided to our Responsible Supply Chain Steering Team in 2019, composed of our VP, Global Ethics and Compliance and leaders from the data center, hardware, and extended workforce business areas.

## Policies addressing ethical conduct and prevention of modern slavery

As reported in our previous statements, we have an [Employee Code of Conduct](#) and a [Supplier Code of Conduct](#). Our Supplier Code of Conduct sets supplier expectations designed to protect the health, safety, and treatment of workers, including the prohibition of any form of modern slavery, including forced, bonded (including debt bondage), or indentured labor; involuntary prison labor; sex trafficking; and slavery or trafficking of people. In 2018, we updated and publicly posted our [Policy Against Modern Slavery](#) to further demonstrate our commitment to combating modern slavery. The policy defines modern slavery, gives a concrete list of prohibited actions, and provides reporting channels for suspected instances of modern slavery. We strive to hold our employees and suppliers to high standards. Any violation of our standards by a Google employee can result in disciplinary action, including termination of employment. Any violation by a supplier can result in contract termination.

## Risk assessment

Google continually assesses modern slavery risk in our supply chains. In 2019, we extended our supplier risk assessments by completing a supply chain human rights risk assessment that included components specific to modern slavery. Our assessment processes involve review and analysis to identify higher-risk areas of our business based on external reports and standards, country and sector risk profiles, and input from experts in this area. In addition, to assess supplier-specific risk, we consider the industry, work type, geography, and supplier reputation, among other factors. As a result of our 2019 supply chain risk assessments, the Responsible Supply Chain Team worked with individual business units within Google and its entities to address identified risks and establish appropriate risk mitigation controls.

We continued our work in other higher-risk areas of our supply chain based on previous risk assessments, such as our hardware supply chain and our extended workforce. In 2019, our extended workforce supplier risk team grew in size and scope, working to improve controls and conduct audits of our extended workforce suppliers in APAC, EMEA, and the Americas. Specifically, we further expanded and adjusted our ongoing supplier risk assessment tool to capture unique risks in our extended workforce supplier base. In addition, efforts assessing and remediating risk related to our extended workforce suppliers led to policy and process changes, such as improvements to our internal investigation process for supplier employee complaints.

For more information on our ongoing risk assessments and remediations in our hardware supply chain, please refer to [Google's 2019 Responsible Supply Chain Report](#).

## Due diligence

We conduct due diligence on direct suppliers that are identified as having higher risk through the assessments described in the preceding section (collectively, the "higher-risk suppliers").

As part of the due diligence process, higher-risk suppliers complete a self-assessment questionnaire about their working conditions and management systems. The due diligence process also includes supplier background checks, examination of labor-related red flags that appear in publicly available databases and media sources, and a review of higher-risk suppliers' names against human trafficking watch lists.

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.

As mentioned previously, based on our risk assessment findings, we have focused additional due diligence efforts on an identified population of higher-risk extended workforce suppliers in 2018 and 2019, and both the compliance team and its scope of work related to our extended workforce suppliers expanded in 2019.

## Training

Training on our Code of Conduct reinforces the expectation that our employees, extended workforce, and contractors (collectively, "workers") follow applicable laws and report concerns of illegal or unethical activity. We train workers to conduct due diligence to identify and avoid working with third parties that engage in modern slavery or other illegal practices. Workers who manage relationships with higher-risk suppliers receive supplemental in-person training. In addition, we have an online training course that includes anti-modern slavery education for workers in roles related to hardware supplier management. This training helps workers identify modern slavery red flags, shares anti-modern slavery best practices, and instructs workers to report modern slavery concerns. As of December 31, 2019, over 95% of the identified population of employees managing relationships with higher-risk suppliers had completed the online training.

## Assessing and reporting on effectiveness

We perform periodic independent third-party audits at higher-risk suppliers' facilities. The audits include in-depth facility tours, meetings with management, on-site 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 higher-risk suppliers' performance in the areas covered by our Supplier Code of Conduct, including modern slavery 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 that company will resolve the issue, and what steps will be taken to prevent recurrence. We determine whether the plan is acceptable based on the severity of the nonconformance in addition to the effort and time required to resolve the issue. Lastly, we monitor and verify all corrective actions are completed in the agreed upon time frame, with a process for escalation to the Responsible Supply Chain Steering Team if necessary.

As mentioned above, in 2019, we expanded the scope of work and the size of the extended workforce team working on Supplier Code of Conduct related risks. In 2019, this team completed extended workforce site audits in APAC, EMEA, and the Americas, and included a range of suppliers from security services to back office operations. The audits of our extended workforce suppliers have led to meaningful insights and learnings. In 2020, we intend to use these insights and learnings to better educate our supplier managers on specific risks and how they can address root causes.

While our audits are announced, our supplier managers are trained to report any concerns they might observe on an ongoing basis. In 2019, we published our third annual [Responsible Supply Chain Report](#). This report provides more detailed information about our above-mentioned audit and supplier engagement efforts.

In 2019, our audits identified multiple findings related to the category "Freely Chosen Employment," including:

- Workers' access to breaks being restricted or monitored
- Workers paying prohibited fees and not being reimbursed in a timely fashion
- Employment letters not covering all the necessary and required terms of employment
- Insufficient employment termination notification provisions
- Involuntary overtime to cover for shortages
- Suppliers lacking adequate due diligence or assessment procedures for staffing and recruiting agencies
- Workers not receiving reimbursement for appropriate travel costs
- Document retention practices inconsistent with ensuring that workers maintain control of their identity documents
- Not providing secured lockers for migrant workers' personal documents
- Inadequate or missing policies related to Google's Supplier Code of Conduct expectations in areas such as overtime, hiring protocols, and recruitment fees.

As part of our audit program, we ask suppliers to identify root causes of any findings and develop and implement appropriate corrective actions; for the findings above, we are working with our suppliers to ensure breaks are appropriately given, restrict prohibited fees, change employment letter templates, remove inappropriate termination notification requirements, address root causes for worker shortages, explicitly state that overtime is voluntary, make timely reimbursements, ensure that workers maintain control of their identity papers, provide secure lockers for personal documents, and have policies in place to manage their (and their supply chains') adherence to our Supplier Code of Conduct.

We also perform periodic third-party audits during office fit-out construction projects in some regions. With these audits, we strive to ensure that construction workers have a safe working and living environment (in those cases where housing is provided for workers) and are paid a wage in a timely fashion commensurate to the work performed. This is achieved by announced and unannounced visits to relevant facilities, interviews with workers, and inspection of personnel files. Appointed general contractors are contractually bound to allow similar audits of their subcontractors, as appropriate.

Because we recognize the limitations of audits in many areas, we have ongoing efforts to improve our protocols and to identify and assess risk using a variety of other methods and indicators. We also engage with workers through individual and group interviews, as well as tablet-based worker surveys. In 2019, we began working on expanding our worker surveys to a larger population of suppliers with guidance and direction from our internal privacy experts, to ensure that any personally identifiable information gathered from the workers is appropriately handled

In addition to our audits and corrective action plans with suppliers, we work to assess the overall effectiveness of the numerous different components in our modern slavery compliance program. The Ethics and Compliance modern slavery compliance lead meets regularly with the Responsible Supply Chain lead to discuss and review the day to day operations of our supplier risk assessments, due diligence, and audit program. These regular meetings lead to deep dive reviews and discussions regarding potential policy and process improvements. For example, in 2019, after review and discussion of our supplier risk assessment tool, the Responsible Supply Chain team integrated new categories of suppliers, enhancements based on prior learnings, and additional risk areas. In 2020, we will begin a formalized annual review of the efforts undertaken by the Responsible Supply Chain and extended workforce teams to ensure compliance to Google's Supplier Code of Conduct, including modern slavery risk.

## Reporting concerns or raising issues related to modern slavery

We offer multiple reporting options to workers, including a helpline that gives workers an option to report concerns anonymously. We promote these reporting options through our internal policies, communications, and trainings. We also have a policy prohibiting retaliation for raising concerns. In 2019, we simplified and clarified the way our extended workforce can raise concerns by launching a dedicated platform that centralizes the internal reporting process when concerns are raised to Google.

If a modern slavery concern is raised through the helpline or other reporting channels, our Ethics and Compliance Team coordinates with appropriate stakeholders to investigate and address the issue. If a reported concern is substantiated, the corrective response may involve working with the supplier to ensure that the issue is addressed or, if that is not possible, terminating the supplier.

# Our commitment to ending modern slavery

In addition to the measures described above, we support a number of other efforts and organizations as part of our commitment to eradicating modern slavery.

## Related policies

- Advertising:** Our advertising policies do not allow ads containing adult-oriented content that targets minors, ads promoting sexually explicit content, including content with underage or non-consensual sexual themes, ads for compensated sexual acts, or ads that violate applicable laws or regulations for any location that a campaign targets (collectively, “bad ads”). We enforce our policies through a robust approval and monitoring process. We use the latest technology as well as manual review by teams that are specially trained to [remove bad ads](#)—and bad advertisers—from Google. This is a constant challenge, and we are always seeking ways to ensure our systems and practices stay ahead of the evolving risk.
- Google Play:** Our policies do not allow apps that contain or promote sexually explicit content, such as pornography and escort services.

## Product features

- Search feature:** We continue to support a Search feature that helps victims of modern slavery to more easily access critical support and services from anti-modern-slavery organizations. Specifically, when certain keywords are used in Search, this feature will show hotline phone numbers, operating hours, and easy-to-use text short codes. The feature is [available in 13 countries and 15 languages](#).
- User engagement:** We provide robust tools to help our users report illegal content or abuse in our services, including community flagging tools. We also invite users to contact us with complaints about illegal content or abuse through our product Help Centers.

## Partnerships

- Protecting Children:** Google’s Special Victims Investigation Group investigates cases involving online child sexual exploitation, making reports to the National Center for Missing and Exploited Children (NCMEC). This initiative involves innovation in locating children being exploited to expedite their potential rescue.
- UK Living Wage initiative:** The [Living Wage Foundation](#) is an initiative that annually calculates a minimum hourly living wage for the UK, generally, and in London, specifically. Google UK worked with the Living Wage Foundation to certify the steps it takes to ensure Google UK employees, suppliers, and vendors receive a living wage. Google UK is proud to have earned accreditation as a Living Wage employer for the fourth year in a row.
- Responsible Mining:** Google is a member of the Responsible Minerals Initiative (RMI), which has a variety of programs addressing the risk of child mining. RMI is supporting a collaboration with [PACT](#), a nonprofit international development organization, on a project that has set out to eliminate child labor in cobalt and tin mining in the Democratic Republic of the Congo (DRC). The effort involves working in-region with NGOs and governmental entities to assess the current state of child mining, identify root causes, and develop mitigation plans to ultimately eliminate child mining by providing economic alternatives to families. This effort builds on previous work done by PACT in collaboration with Google and other companies in the DRC.
- Industry Collaboration:** To support industry innovation and collaboration, we engage with the [BSR](#) Human Rights Working Group ([HRWG](#)), Global Business Coalition Against Trafficking ([GBCAT](#)), and the Responsible Business Alliance ([RBA](#)).

## Employee Engagement and Awareness

- Charitable giving:** Google and Googlers contributed over US\$4.5M in 2019 to 81 organizations fighting modern slavery, including those on the [Global Modern Slavery list](#), including the Bay Area Anti-Trafficking Coalition and the Polaris Project.

## Moving forward

Modern slavery remains a complex challenge. Our efforts to combat these practices are ongoing, evolving, and continually improving. We made progress in 2019 and intend to continue our momentum in 2020.

This statement was reviewed by relevant internal teams and approved by XXVI Holdings Inc., a Delaware corporation and sole managing member of Google LLC.

A handwritten signature in black ink that reads "Kent Walker". The signature is written in a cursive, slightly slanted style.

**Kent Walker**

Secretary, XXVI Holdings Inc., sole managing member of Google LLC

Senior Vice President, Global Affairs, Chief Legal Officer, and Secretary, Google LLC

Signed in June 2020