

Lobbying Expenditures Disclosure - Climate 2017 – Alphabet, Inc.

WHEREAS, we believe it is important that Alphabet’s lobbying positions, and processes to influence public policy, are transparent. Public opinion is skeptical of corporate influence on Congress and public policy, and controversial lobbying activity may pose risks to our company’s reputation.

Alphabet spent approximately \$80 million between 2010 and 2015 on federal lobbying, according to Senate reports. And this figure may not include grassroots lobbying to influence legislation by mobilizing public support or opposition and does not include lobbying expenditures to influence legislation in all states.

RESOLVED, the shareholders of Alphabet request the Board prepare a report, updated annually, and disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Alphabet used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Description of the decision making process and oversight by management and the Board for making payments described in sections 2 and 3 above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which Alphabet is a member.

“Direct and indirect lobbying” and “grassroots lobbying communications” include efforts at local, state and federal levels.

The report shall be presented to the Audit Committee or other relevant Board oversight committees and posted on Alphabet’s website.

Supporting Statement: We commend Alphabet for present disclosure on its website on political spending and lobbying but the website still does not disclose details about payments used for lobbying by trade associations.

For example, the Chamber of Commerce spent well over \$1.2 billion in lobbying since 1998, yet Alphabet’s level of funding of the Chamber is secret. The Chamber has also sued the EPA for its climate advocacy and is aggressively attacking the EPA for its new Clean Power Plan combatting climate change. We urge Alphabet to utilize its role as a prominent member to challenge the Chamber’s climate policy and call for an end of its attack on the EPA.

In contrast, Alphabet’s website publicly affirms its commitment to “protecting the environment”, a message we strongly support.

In September 2014 Chair Eric Schmidt stated on NPR Alphabet had ended membership in ALEC, an organization that assists legislators and companies to promote model legislation. One high ALEC priority aims to repeal State renewable energy legislation and to assist States in opposing the Clean Power Plan. Chair Schmidt argued ALEC was “literally lying” about climate. We commend Alphabet for this act of leadership.

It is a logical next step for Alphabet to expand public disclosure about third party lobbying.