

Name of the Registrant: Alphabet Inc.

Name of persons relying on exemption:

Vancity Investment Management Ltd., a socially responsible investment manager; and Open MIC, a nonprofit organization.

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Alphabet Inc. (GOOGL)

Vote YES: Proposal Number 13

Preventing Material Risks from AI-generated Misinformation

THE RESOLUTION

Resolved: Shareholders request that the Board commission a third-party assessment, at reasonable expense, of additional actions the Company could take to mitigate the proliferation of false information on the platform and report to shareholders, omitting proprietary or privileged information, with a summary of the outcome of the assessment. At the board and management’s discretion, the report may include additional uses of human, algorithmic, whistleblower, or other methods to more promptly detect and eliminate false information and prevent its elevation and dissemination.

SUMMARY

Alphabet’s Google subsidiary is a world leader in AI technology. As of early 2026, its Gemini app had 750 million monthly active users; its AI Overviews search tool reached more than 2 billion monthly active users.¹ AI is deeply embedded in the Company’s operations, with CEO Sundar Pichai saying AI is “the most profound technology humanity is working on—more profound than fire or electricity or anything that we’ve done in the past.”² Yet Google’s multiple AI services generate or enable false information on a massive scale, with factual error rates as high as 30% on a core service such as Gemini. False information generated by Google AI has prompted litigation and regulatory concern in multiple countries, with significant financial and regulatory risk to Alphabet. The

proliferation of AI-related falsehoods by Google may also contribute to a larger societal problem, what has been called “epistemic collapse” — a world in which users are increasingly unable to discern what is true or authentic. The Proposal asks the Company to report on actions that could mitigate the proliferation of false information by Google’s products and services.

RATIONALE FOR A YES VOTE

- 1. There is abundant evidence that Google’s AI products and services suffer from substantial factual error rates, and the Company’s stated mitigation measures are demonstrably insufficient.**
- 2. AI-generated misinformation on Alphabet’s products and services exposes the Company to significant and increasing legal, reputational, and financial risk.**
- 3. The Company’s opposition statement highlights a pattern of self-reported, unverified commitments to AI principles with no meaningful board-level accountability structure.**

DISCUSSION

- 1. There is abundant evidence that Google’s AI products and services suffer from substantial factual error rates — as documented by accountability metrics employed by Google itself.**

In its opposition statement to the Proposal, the Company states that it has robust policies and procedures to mitigate misinformation risk and that “to address model accuracy, we use the FACTS Leaderboard, a suite of methods published in November 2025 to evaluate LLM factuality.”

The FACTS Leaderboard cited by Alphabet is, in fact, an internal collaborative initiative owned and maintained by Google DeepMind and Google Research.³ Despite having access to the research results, the Company’s opposition statement fails to report the results of the FACTS Leaderboard about Gemini, a family of AI models offered by Google, with more than 750 million monthly users.

Online data available from the FACTS Leaderboard show that in April 2026 Google’s Gemini 3 Pro app was the top-rated Large Language Model (LLM) among all industry models, but with an average “factuality” score of only 69%, “leaving considerable headroom for future progress,” according to the study’s authors.⁴

To confirm that finding, the authors of this letter asked Google’s Gemini how often Gemini produced false information. Gemini’s response: *“On average, across all factual tasks in*

the 2026 suite, Gemini 3 Pro produces some form of false or incomplete information in 31.2% of its responses. **While this makes it the ‘best in class’ on the current leaderboard, it highlights that even the most advanced AI still has a significant ‘truth gap.’**⁵ (Emphasis by the authors.)

Gemini technology is also used to drive Google’s “AI Overviews” in traditional Google searches, reaching over 2 billion monthly users, according to the Company.

In April 2026, the *New York Times* reported: “A recent analysis of AI Overviews found that they were accurate approximately nine out of 10 times. But with Google processing more than five trillion searches a year, this means that it provides tens of millions of erroneous answers every hour (or hundreds of thousands of inaccuracies every minute), according to an analysis done by an A.I. start-up called Oumi.”⁶

Other Google AI models have been similarly cited as sources of misinformation. NewsGuard, a company that assesses information reliability, says Google’s Nano Banana Pro is a “misinformation superspreader” that advanced false claims about politicians, public health topics, and top brands 100 percent of the time when prompted to do so.⁷

Google’s Veo 3 — which can generate hyperrealistic video depicting misleading information — “has the potential to create disinformation on a catastrophic scale,” according to a *PC Magazine* reviewer.⁸ A Time Magazine investigation revealed how journalists were able to use Veo 3 to create inflammatory false political content, including videos of a Pakistani crowd setting fire to a Hindu temple, Chinese researchers handling a bat in a wet lab, an election worker shredding ballots, and Palestinians gratefully accepting US aid in Gaza.⁹

In its opposition statement, Alphabet points to the existence of SynthID as a tool it relies on to mitigate the spread of misinformation. Yet, publicly available tools are able to defeat leading watermarking techniques, including SynthID, anywhere from 57 to 100 percent of the time.¹⁰

2. AI-generated misinformation on Alphabet’s products and services exposes the Company to significant and increasing legal, reputational, and financial risk.

AI-generated misinformation across Google products affects multiple aspects of society, including business and finance, government and politics, and science and education.

Google now faces defamation and product liability suits in Delaware,¹¹ Washington, D.C.,¹² Minnesota,¹³ and Brazil,¹⁴ each stemming from alleged harms caused by its generative AI.

Google's AI-fed misinformation has even affected U.S. legislators with oversight responsibility for the Company's business, such as Senator Marsha Blackburn, Chair of the Senate Commerce Committee's Subcommittee on Consumer Protection, Technology, and Data Privacy. In October 2025, Senator Blackburn called for Google to remove its Gemma model from AI Studio after it manufactured serious criminal allegations against her, generating fake links to fabricated news articles in response to the question, "Has Marsha Blackburn been accused of rape?" Her message to Google was blunt: "Shut it down until you can control it."¹⁵

In March 2026, a wrongful death lawsuit alleged that Gemini reinforced a user's delusional thinking through fabricated narratives, contributing to his death.¹⁶

One notable problem is AI-generated false information in health information. The *Washington Post* reports that one in 4 Americans are now using chatbots for health information, with younger people more likely to use AI for health-related information or advice.¹⁷ Unfortunately, in many cases, the information they're receiving is inaccurate.

For example, an August 2025 study by doctors at New York's Mount Sinai hospital reported that "models like Google's Gemini, and OpenAI's GPT-4 sometimes produce fabricated references in 25–50% of their outputs when used as complementary tools for medical research."¹⁸ A separate study led by researchers at Mount Sinai found that "Gemini's fabrications use names of established researchers from relevant fields into non-existent works, thus creating a veneer of legitimacy that can be misleading without thorough verification."¹⁹

Inaccurate medical information distributed by Google to the public can be particularly dangerous. A January 2026 investigation by the *Guardian* found that Google's AI Overviews "served up inaccurate health information and put people at risk of harm."²⁰ Specifically:

In one case that experts described as "really dangerous," Google wrongly advised people with pancreatic cancer to avoid high-fat foods. Experts said this was the exact opposite of what should be recommended, and may increase the risk of patients dying from the disease.

In another "alarming" example, the Company provided bogus information about crucial liver function tests, which could leave people with serious liver disease wrongly thinking they are healthy.

Google searches for answers about women's cancer tests also provided "completely wrong" information, which experts said could result in people dismissing genuine symptoms.

Rapidly Developing Litigation Landscape

The risk of legal liability for an AI developer such as Google is increasing rapidly as negligence and product liability theories that have been successfully applied in recent cases to social media platforms are now likely to be applied to AI models. In March 2026, a California jury found that Google’s YouTube service and Meta harmed a young user with social media design features that were addictive and led to her mental health distress;²¹ that followed a similar verdict in New Mexico the week earlier against Meta.²² The findings are likely to figure in a host of upcoming additional cases in other jurisdictions. In reporting on the California case, *Tech Insider*, an industry publication, said: “The bellwether verdict is just the tip of a massive litigation iceberg. The legal exposure facing social media companies in 2026 is staggering in both scope and potential financial impact.”²³

Legal analysts forecast more lawsuits involving AI, framing AI-generated misinformation as a design defect and arguing that a system which predictably produces harmful falsehoods is, by definition, defectively engineered.²⁴ In writing about a British Columbia civil tribunal which found Air Canada liable for misinformation given to a consumer through the use of an AI chatbot, the American Bar Association concluded: “While AI comes with economical and functional benefits, companies clearly remain liable if inaccurate information is provided to consumers through use of an AI tool.”²⁵

Additionally, the legal protections that have been afforded for decades to social media platforms under Section 230 of the U.S. Communications Decency Act may not apply to AI models, as courts have begun drawing a meaningful distinction between platforms that *host* third-party content — conduct that Section 230 shields from liability — and systems that *generate* content, which may not enjoy the same protection if a court finds the developer “contributed materially” to its creation.^{26 and 27}

In the absence of oversight by Google and other AI developers, many experts are calling for third-party testing or increased regulation of AI. Girish Nadkarni, chief AI officer for Mount Sinai Health and chair of the department of AI and human health at the Icahn School of Medicine at Mount Sinai, told the *Washington Post* he believes third-party testing and guidance are needed, along with a broader public discussion about whether oversight should take the form of formal regulation through agencies like the Food and Drug Administration or the Federal Trade Commission, or whether a trade group could be established to conduct testing and provide a seal of approval. “There need to be some guardrails,” he said.²⁸

3. The Company’s opposition statement highlights a pattern of self-reported, unverified commitments to AI principles with no meaningful board-level accountability structure.

Google's current AI ethics oversight is internal and non-binding. This has been the case since 2019, when Google's attempt to form a diverse group of outside experts — the Advanced Technology External Advisory Council (ATEAC) — came under intense employee and public criticism. Google abandoned that effort, leaving no formal external body to audit the company's AI decisions.²⁹

In recent years, multiple shareholder resolutions have called for Alphabet to commission third-party reports on the human rights impacts of its AI. In each case, Alphabet's board has recommended voting against these proposals, maintaining that internal processes are sufficient. While Google has internal AI Principles, the review process for administration of those principles does not provide sufficient transparency regarding outcomes. As noted earlier in this letter, Google's reporting structures fail to provide public data about the "factuality" of information provided by Gemini and other Google AI products when the error rate in some cases is about 30 percent.

Investors are concerned about the risks and vulnerabilities that the company is exposed to from solely relying on internal oversight without external input. For example, AI developers may be vulnerable to a "blind spot" effect where they become accustomed to their own system's flaws, normalizing errors as "acceptable". Transparency from external reporting can help identify and minimize this vulnerability, as well as mitigate any other conflicts of interest that relying on internal processes exclusively may present. Third-party reporting will strengthen Alphabet's internal processes and enhance transparency sought and welcomed by investors.

Without a legally binding structure or a board committee specifically empowered to override the CEO on ethical grounds, Google's AI Principles remain a statement of intent rather than a mechanism of good corporate governance. We believe board oversight in this regard has been woefully inadequate.

CONCLUSION

For the reasons set forth above, we urge shareholders to vote **FOR** Item (XX), *Preventing Material Risks from AI-generated Misinformation*.

For questions, please contact:

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Endnotes:

- ¹<https://www.getpanto.ai/blog/google-gemini-statistics#:~:text=Still%2C%20Gemini%20has%20narrowed%20the>
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