



# 2017 Modern Slavery Statement

Google LLC (Google) is committed to treating all workers with respect and dignity, ensuring safe working conditions, and conducting environmentally responsible, ethical operations.

We are issuing this statement pursuant to the UK Modern Slavery Act, which requires Google to disclose our efforts to ensure that modern slavery is not taking place in our supply chains and business operations. This is our second statement, covering our 2017 financial year (January - December 2017).

Throughout this statement we reference "modern slavery," which includes slavery, servitude, forced or compulsory labor, and human trafficking.

# Highlights

## ■ **Supplier Code of Conduct**

We began expanding the supplier population required to comply with Google's Supplier Code of Conduct.

## ■ **Seafood Supplier Engagement**

We conducted a risk assessment and supply chain mapping exercise for Google's San Francisco Bay Area seafood suppliers.

## ■ **Responsible Supply Chain Report**

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

## ■ **Google Advertising Policy**

We reviewed and strengthened our ad policies in areas where modern slavery risk exists.

## ■ **External Collaborations**

We increased our engagement with external stakeholders by joining the Global Business Coalition Against Trafficking (GBCAT).

## ■ **Development Initiatives**

We collaborated with [PACT](#) in the Democratic Republic of the Congo on a project aimed at eliminating child labor in cobalt and tin mining.

## Structure, business, and supply chain

Google is a wholly owned subsidiary of Alphabet Inc. Google's business includes our main Internet products, such as AdWords, Android, Chrome, Google Cloud Platform, Google Maps, Google Play, Search, and YouTube, as well as hardware products, such as Pixel phones, Pixel laptops, and Google Home 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 revenue primarily from advertising, sales of digital content, apps and cloud offerings for enterprise, and sales of hardware. 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, therefore, partner closely with our direct suppliers to understand and evaluate their supply chain practices. Our

philosophy is to work in partnership with 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

Our Chief Ethics and Compliance Officer continues to oversee a team focused on combating modern slavery in our supply chains and business operations. The Chief Ethics and Compliance Officer provides 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 Chief Ethics and Compliance Officer provides 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—are

provided to our Responsible Supply Chain Steering Team, composed of our Chief Ethics and Compliance Officer and leaders from the data center and hardware product areas.

## Policies addressing ethical conduct and prevention of modern slavery

As reported in our last statement, we have an [Employee Code of Conduct](#) and a [Supplier Code of Conduct](#). Our Supplier Code of Conduct sets standards 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. We 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.

In 2017, we continued our efforts to ensure we include modern slavery-specific language in our contracts, requiring suppliers to:

- comply with human trafficking, forced-labor, and modern slavery laws;
- implement anti-modern slavery due diligence processes for their own suppliers and business partners;
- extend similar anti-modern slavery language to their suppliers and business partners;
- allow audits for instances of modern slavery; and
- allow us to terminate our agreements with them for any violation of their contractual obligations related to modern slavery eradication.

Additionally in 2017, we received approval from Google's Compliance Steering Committee to expand the types of suppliers required to comply with our Supplier Code of Conduct. We began this effort in Q4 2017 and will continue expanding supplier engagement and education on our Supplier Code of Conduct throughout 2018.

## Risk assessment

We continue to assess modern slavery risk in our supply chains, and, in 2017, we partnered with several internal teams to better understand additional indirect supply chains within Google. 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. As a result of our risk assessments, we identified

our higher-risk areas of focus as our hardware supply chain and branded apparel, office construction, janitorial services, food services, and other manual labor-related jobs.

In 2017, one of our larger efforts, in partnership with the Google Food team, was a comprehensive review of our Bay Area seafood supply chain. We prioritized this area of indirect spend based on our risk-assessment process and external information highlighting the seafood industry as particularly high risk for forced labor and human trafficking. Google feeds thousands of employees breakfast, lunch, and dinner in the Bay Area, which involves a significant amount of food procurement. During this project, we worked with our first-tier supplier to assess their largest seafood suppliers and understand what systems and processes they have in place to ensure their suppliers are mitigating modern slavery risk and promoting worker welfare.

In 2018, we plan to continue our work with the Google Food team, exploring international food procurement, and have already begun working with our contingent workforce team to analyze, better understand, and address the modern slavery risk this population of suppliers might pose.

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

## Due diligence

As part of our efforts to mitigate the risk of modern slavery in our supply chains, we conduct due diligence on our 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. In 2017, we worked to update and improve our questionnaire assessing the labor risks of our suppliers, which incorporates questions from The Slavery & Trafficking Risk Template (developed by the Social Responsibility Alliance), and the US Department of State's Responsible Sourcing Tool. 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.

## Training

Training on our Code of Conduct reinforces the expectation that employees, temporary workers, 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 identified in our risk assessment receive supplemental in-person training. In addition, in late 2016, we launched 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 the end of 2017, this training has been completed by over 250 employees managing relationships with higher-risk suppliers.

## Assessing and reporting on effectiveness

We perform periodic independent third-party audits at higher-risk hardware and non-hardware suppliers’ facilities. The audits include in-depth factory 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 to determine root causes and develop corrective action plans. While our audits are announced, our supplier managers are trained to report any concerns they might observe on an ongoing basis. In 2017, we published our first Responsible Supply Chain report, titled [Creating a Responsible Supply Chain](#). This report provides more detailed information about our above-mentioned audit and supplier engagement efforts.

In 2017, our audits identified several findings related to the category “Freely Chosen Employment”, including:

- Document retention practices inconsistent with ensuring that workers maintain control of their identity documents
- Interns not receiving timely compensation during their internship period
- Inadequate training on anti-human trafficking and forced labor policies

We developed robust processes to address the findings regarding document retention practices and interns receiving timely compensation during their internship period. Efforts to address the finding related to inadequate training on anti-human trafficking and forced-labor policies are currently in progress.

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 assess risk using a variety of other methods and indicators. We have also extended our direct engagement with workers through individual and group interviews, as well as tablet-based worker surveys.

## Reporting concerns or raising issues related to modern slavery

We offer multiple reporting options to workers, including a helpline that gives callers 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.

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 target 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. In 2017, we examined verticals that have been identified as having heightened modern slavery risk, and put in place new restrictions. 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 find 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 [now 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

- **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 second year in a row.
- **Anti-trafficking guidance** In 2017, in partnership with the anti-trafficking organizations Demand Abolition, Polaris, ECPAT, Thorn, and The National Center for Missing & Exploited Children (NCMEC), we committed to crafting guidance for law enforcement for use in prosecution of buyers of child sex.
- **Eliminating Child Mining** Google is collaborating with [PACT](#) on a project that has set out to eliminate child labor in cobalt and tin mining in the Democratic Republic of the Congo. 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 to ultimately eliminate child mining by providing alternatives to families.
- **Industry Collaboration** To support industry innovation and collaboration, we have engaged with the Business for Social Responsibility (BSR) Human Rights Working Group (HRWG) and, in 2017, joined the Global Business Coalition Against Trafficking (GBCAT). [GBCAT](#) is focused on building capacity among small and medium-sized enterprises to understand and manage modern slavery and on empowering survivors of trafficking through job skills training and opportunities.

## Employee Engagement and Awareness

In May 2017, Google's Ethics and Compliance Team hosted Academy Award-winning director Jeffrey Brown and actress Neerja Naik at our San Francisco office for a screening of their movie, SOLD, followed by [a question and answer session](#). SOLD tells the story of a young girl who is trafficked and forced into sex slavery and is based on true stories. As part of the screening, we conducted an internal awareness campaign to educate employees on modern slavery risk. In addition, we worked with Jeffrey Brown to raise money for the India & Nepal Project, a project overseen by the Courageous Girls organization, which provides assistance to human trafficking survivors.

Google matched over \$600,000 of employee donations in 2017 to over 60 organizations on the [Global Modern Slavery](#) list, such as the Bay Area Anti-Trafficking Coalition and the Polaris Project.

## Moving forward

Modern slavery is a complex challenge that cannot be solved overnight. Our efforts to combat these practices are ongoing, evolving, and continually improving. We made progress in 2017 and intend to continue our momentum in 2018.

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



**Jim Campbell**

Chief Financial Officer and Treasurer, XXVI Holdings Inc., sole managing member of Google LLC



**Kent Walker**

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