

Outside Relationships

Regulators | **Suppliers** | **Customers**

Subjects of U.S. and Foreign Regulation

Data Protection, Consumer Protection, e-Commerce, Advertising

U.S. Department of Justice (DOJ), Federal Trade Commission (FTC), and Antitrust and Fair Trade, Data Security, and Anti-Corruption Agencies (DOJ, FTC, DOJ); Enforcement of Antitrust and Fair Trade Laws; FTC: Enforcement of Consumer Protection Laws and Prohibition of Unfair or Deceptive Practices or Claims in Advertising; DOJ: Enforcement of Foreign Corrupt Practices and Anti-Bribery Laws

Consumer Protection (CPSC)

(Regulation regarding Product Safety, Distribution of Certain Material to Children and Collection of Information from Minors, Product Defects Protection)

Billing and E-commerce

(Regulatory Proposals Regarding Google Play Billing Policies)

Communications and Content

U.S. Federal Communications Commission (FCC)

(Regulation of TV, Satellite, Radio, Wire, and Cable Communications, including Multi-Channel Video Programming Distributors of Media, TV, Film and Digital Content, Regulation regarding Broadband Access, Fair Competition, Radio Security, Homeland Security, and Public Safety)

General

Labor and Employment (DOL: Regulation of Work Practices, Wage and Overtime Record-Keeping, EEOC: Enforcement of Anti-Discrimination Laws in Hiring, Workplace Practices and Civil Rights; OSHA: Workplace Health and Safety, and Serious Injury Reporting)

U.S. Department of Commerce (including Bureau of Industry and Security)

(Regulation regarding Export and Import Controls and Licenses, Tariffs and Trade Barriers)

Environmental Protection Agency (EPA)

(Regulation of Discharges, Leaks, Emissions, Disposal, Storage of Particular Matter, Hazardous Waste, and Toxic Substances in the Water, Air and Soil, Superfund Cleanup Requirement for Contamination)

U.S. Department of the Treasury

(Restricted Party Transactions and Improper Payments, and Economic Sanctions; Regulation of Money Laundering)

Foreign

Data Protection Agencies (Personal Data Protection Regulation)

Foreign Ownership and Investment

(Regulation of Foreign Investments in Critical Industries of Host Nations)

Anti-Corruption

(Prohibition on Bribes and Other Payments to Foreign Government Officials)

Public Debt Holders

Bond Financing

Commodity Price, Foreign Currency and Interest Rate Risk Derivatives

Working Capital Financing

Capital

Public Debt Holders

Commercial Banks (Lead Bank: Bank of America; Other Banks: Bank of New York Mellon, Bank of America)

Suppliers

Selected Suppliers

Qualcomm (Semiconductors and Wireless Telecom Products)

Akamai Technologies (Services for Accelerating Delivery of Internet content and Apps)

LogMeIn (Communications and Collaboration Solutions)

LogMeIn (Enterprise-Class, Cloud-Based Platform to Connect Businesses with Customers)

Liveperson (Enterprise-Class, Cloud-Based Platform to Connect Businesses with Customers)

Multinational Original Equipment Manufacturers and Other Android Operating System Licensees

LG

SAMSUNG

htc

HUAWEI

MI

Xiaomi

ONEPLUS

motorola

Telecom Companies

China Mobile

docomo

NTT Docomo

Verisign (Voice and Data Networks Communications Services)

VeriSign

Neophotonics (Optoelectronic Transmission Products)

Selected Cloud Platform Customers

Small Businesses

Enterprises and Retailers (United, Spotify, HSBC, Home Depot, Snapchat, HTC, Best Buy, Ford, and Coca-Cola, Kraft Heinz)

Accenture (Strategic Collaboration for Enterprise Solutions—Multi-Channel Customer Interactions, AI Data Management and Hyper-Personalization of Customer Sales and Services)

Google works with more than 1,000 suppliers worldwide that supply its business, including hardware manufacturers and indirect services providers. For the manufacture of hardware products and consumer devices alone, Google works with approximately 500 suppliers in more than 60 countries.

U.S. Government (Departments of Defense, Energy, Treasury, Commerce, Agriculture, Justice, and Veteran's Affairs, Food and Drug Administration, National Institutes of Health, and Internal Revenue Service)

Customers

Sales of Google Cloud Platform Services (Fees for Infrastructure, Platform, and Other Services)

Sales of Google Workspace Cloud-Based Communication and Collaboration Tools (Gmail, Docs, Drive, Calendar, and Meet)

Android Automotive Infotainment Operating System and Google Automotive Services Licenses

Google Ads Click-Driven Advertising Sales and Data Analytics; and Publisher Sales of Ad Space on their Websites

Subscription Sales of YouTube Music, YouTube Premium and YouTube TV

Ad-Based Music, TV Programming and Other Video Content Streaming Services (But Not Subscriptions)

Sales from Google Play (Apps and In-App Purchases)

Sales of Hardware Devices, Google Nest Home Products, and Pixel Devices

Licenses of Google Search Engine (Under Preferred/Default Search Engine or Operating System Agreements)

Google Web Search Services

Google Search Advertising Sales and Data Analytics Services

Google Search Analytics Services

Other Bets Partnership Agreements

Individual and Business Customers

Tablet Users

Desktop and Laptop Computer Users

Auto Owners

TV Watchers

Smart Phone Users

Advertisers

Businesses

Organizations

Universities

Political Campaigns

Other Bets Partners

AbbVie (Drug R&D)

abbvie

Wing (Healthcare)

coles

DOORDASH

DeepMind (EMBL-EBI)

European Bioinformatics Institute

Key Ratios

Return on Equity: 22.8%

Operating Margin: 25.4%

Alphabet Inc. (a Delaware corporation)

Debt Structure

Debt (\$15.086 Billion @ 12/31/22) | Credit Ratings: S&P: AA+, Moody's: Aa2

Commercial Paper Program: Available: \$10.0B Outstanding: \$0	2023 - 2026 Revolving Credit Facilities Available: \$10.0B Outstanding: \$0	2024-2060 Notes @ 0.45% - 3.38% \$13.0B
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Equity Structure

Share Capital and Repurchases

Preferred Stock Authorized: 100M Shares Outstanding: 0 Shares Record Holders: None	Class B Common Stock (10 Votes; Convertible at Any Time at the Option of the Shareholder and Automatically Upon Sale or Transfer to Class A Common Stock) Authorized: 60.0B Shares / Outstanding: 883M Shares Record Holders: ~64 (Founders/Insiders)	Class A Common Stock (1 Vote) Authorized: 180.0B Shares Outstanding: 5,956M Shares Record Holders: 6,670	Class A and C Stock Repurchase Program Authorized: \$70.0B (Class A + Class C) Remaining: \$28.1B Expiration: None	Class C Capital Stock (No Vote) Authorized: 60.0B Shares Outstanding: 6,002 Shares Record Holders: 1,657
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Governance

Board of Directors

Larry Page (E)	L. John Doerr (L)	Robin L. Washington (L)
Sergey Brin (E)	Roger W. Ferguson Jr. (A)	
Sundar Pichai (E)	Ann Mather (A)	
John L. Hennessy (N)	K. Ram Shriram (L)	
Frances H. Arnold (N)	R. Martin Chávez (A)	

Committees: Audit and Compliance (A), Leadership Development, Inclusion, and Compensation (L), Nominating and Corporate Governance (N), Executive (E)

Executive Officers

CEO Sundar Pichai	CEO, Google Cloud Thomas Kurian	President, Global Affairs, Chief Legal Officer and Secretary Alphabet and Google Kent Walker
SVP and CFO, Alphabet Ruth M. Porat	SVP, Chief Business Officer Google Philipp Schindler	SVP, Knowledge and Information, Geo, Ads, Commerce and Payment Products Prabhakar Raghavan
SVP Devices and Services Rick Osterloh	SVP Platforms and Ecosystems Hiroshi Lockheimer	

Business Relations

Global and Regional Sales Activities for Google and YouTube

Global, Technical, and Consumer Support and Operations

Key Product Area Development Teams

People Operations

Workforce Strategy

Talent Acquisition and Development

Staffing Agency Relations

Compensation and Benefits

Immigration

HR Information Systems

Diversity, Equity, and Inclusion

Culture and Employee Engagement

Products

Google Search

Assistant

Geo

Ads

Commerce

Payments

Supply Chain

Third Party Manufacturing

Procurement

Semiconductor Chip Production

Supplier Relations

Finance

Finance

Accounting

Treasury

Tax

Financial Reporting

Financial Planning & Analysis

Risk Management

Internal Audit

Business Operations

Real Estate and Workplace Services

Corporate Matters

Information

Business Applications and Software Licenses

IT Infrastructure and Networking Equipment

Data Management Systems

Analytics

Software Development

E Commerce Platforms

Artificial Intelligence and Machine Learning

Legal

Content Policy

Legal Operations

Litigation Management

Employment Law Matters

IP Management

Responsible Innovation

Government Affairs

Corporate Governance and Secretarial Matters

Philanthropy

Operations

Google (2022 Revenue: \$279.8 Billion)

Google Cloud (2022 Revenue: \$26.3 Billion)

The Google Cloud segment's products and services include (1) Google Cloud Platform, cybersecurity products, and data cloud in an open, reliable, and scalable infrastructure that enables customers to run workloads on Google Cloud, at the edge, or in their data centers and (2) Google Workspace's secure communication and collaboration tools that enable secure hybrid work.

Google Workspace (2022 Revenue: \$162.4B)

Google Workspace generates revenue from fees for cloud-based communication, productivity and collaboration tools for enterprises. (Individuals use these tools and applications for free.)

Google Advertising (2022 Revenue: \$224.5 Billion)

Google Advertising generates revenues generated from Search, Network and YouTube ads displayed on Google platforms.

Google Search and Other (2022 Revenue = \$162.4B)

Partners Using Google as their Default Search in Browsers, Toolbars, etc.

Google Network (2022 Revenue = \$32.8 Billion)

Website publishers in the Google Network of content sites serve text, images, video, or interactive media advertisements targeted to the site content and audience and administered, sorted, and managed by Google. They can generate revenue on either a per-click or per-impression basis.

Google AdSense

An online ad exchange platform for companies or individuals allowing a company or person to manage their inventory of ads, the audiences those ads serve, and allows them to check the performance of the ads they are running, and allows them to manage the buying and selling of their ads by other networks.

YouTube Ads (2022 Revenue = \$29.2 Billion)

Video Sharing and Social Media Platform

YouTube Shorts (Short-Form (<60 Seconds) Video Streaming; 50B Daily Views)

YouTube Kids

YouTube Music (Podcast, Song, and Music Video Streaming Service)

YouTube Premium (Subscription Video and Music Streaming Service; 80M Paying Subscribers and Trailers)

Google Cloud Platform

Alongside a set of management tools, Google Cloud Platform provides a series of modular cloud services including computing, data storage, data analytics and machine learning. This business unit generates revenue from subscription fees (on an "as a service," consumption-based pricing model) for infrastructure, platform and other services.

Modular Cloud Services

AI and Machine Learning (Language and image recognition and classification, Content audio to text)

API Platform and Ecosystems (API metrics, API protection from attacks, API management portal)

Compute (VMware as a service, Hardware for Specialized Workloads, Managed app platform)

Database (Horizontally scalable relational database, SQL Inspector, Migrate to Cloud SQL)

Data Analytics (Metadata management service, Automated data ingestion service)

Developer Tools (Google Cloud IDE extensions, Browser-based terminal/CLI, Eclipse GCP tools)

DevOps CI/CD (Universal package manager, Automated security scanning, Hosted private git repos)

Gaming (Orchestrate Agones cluster)

Healthcare (Healthcare system GCP interoperability, Manage, process, transform, Biomedical data)

Hybrid and Multi-Cloud (Service mesh traffic management, Policy and security automation)

Identity and Security (Two-step key verification, Zero trust secure access, Audit trails)

Management Tools (Billing and cost management tools, Web-based management console)

Migration to Google Cloud (Bulk import analytics data, Rentable data transport box)

Mobile (Firebase) (Mobile app analytics, Object storage and serving, Predict user targeting)

Networking (Network telemetry service, Network monitoring and topology, Content delivery network)

Operations and Monitoring (Centralized logging, Infrastructure and application monitoring)

Retail (Create custom recommendations, Visual search for products)

Storage (Block storage for VMs, Managed NFS server, VM locally attached SSDs)

Google Workspace Marketplaces

Online Store with Free and Paid Business-Oriented Cloud Applications that Augment G Suite Functionality)

Google Cloud Search

(AI-Powered Search Across Entire G Suite Lineup Product Lineup)

Google Work Insights

(Provides insights on adoption, work patterns, and collaboration across different Google Workspace apps)

Google Workspace also provides email addresses with customized domains. More expensive plans allow for a higher number of participants in video meetings, pooled storage per user, and increased security and management controls and support.

Business Starter: \$6 per user per month | **Business Standard:** \$12 per user per month | **Business Plus:** \$18 per user per month

Google Play (2022 Revenue = \$29.1 Billion)

Encompasses revenues generated from Hardware, Google Play app sales, and YouTube subscriptions.

Hardware

Google Chromecast

Devices Enabling Internet-Streamed Audio-Visual Content on a TV or Home Audio System

Nest

Home Products (Speakers, Displays, Streaming and WiFi Devices, Smoke and CO2 Alarms, Door Locks, Cameras, Doorbells, and Thermostats)

Pixel

Smartphones, Smart Watches, Earbuds, Laptops, Tablets, and Accessories (Pixelbook Pen, Pixel Stand)

Google Operating Systems

Android (Mobile Operating System) | **AndroidTV** (for TV Sets, Digital Media Players, Set-Top Boxes)

Google Play

Google Play is a digital distribution service operated by Google and is the official app store for devices, running on the Android and Chrome operating systems, allowing users to download apps developed with the Android software development kit and published through Google. This business unit generates revenues from sales of apps and in-app purchases in Google Play.

Categories: Games (Roblox, Grand Theft Auto Vice City, Solitaire, Clash of Clans), **Apps** (Google Translate, Spotify, Snapchat, WhatsApp, Facebook Messenger), **Movies and TV Shows, Books, and Kids** (teacher approved apps and games)

Devices: Windows devices, phones, tablets, TV and Chromebook

Selected Google Apps on Google Play

YouTube Non-Advertising (Subscription Revenues)

YouTube Premium (Unlimited Smartphone Plans for \$80 per month)

Nest Renew (Free service to help prioritize usage to when energy is cleaner and cheaper)

Nest Aware (60-day Nest video history, package arrival alerts, \$6-\$12/month / \$60-\$120/year)

Google Play Pass: Ad Free Subscription (\$4.99/mo or \$24.99/year)

Pixel Pass (\$37.55/mo): Users get a new phone every 2 years with Preferred Care, 200GB cloud storage, and more

Google One: Cloud Storage

Advertising Platforms and Networks Competition

amazon, Microsoft, Meta, Alibaba.com, Other Forms of Advertising (Billboards, Magazines, Newspapers, Radio, and TV)

Digital Video Competition

amazon prime video, hulu, Meta, Paramount+, Disney+, NETFLIX, peacock

Search Competition

yahoo!, NAVER, bai, Vandex

Hardware and OS Competition

SAMSUNG, Microsoft, amazon, apple, DELL

E-Commerce and Other Competition

amazon, ebay, Meta, Microsoft

Other Bets (2022 Revenue: \$1.1 Billion)

The Other Bets segment uses technology to solve big problems affecting industries from healthcare and transportation to climate change; revenues come from health technology and internet services.

The X business unit covers the research and development activities for moonshot technologies.

Chorus (Logistics Sensor Technology, Software and Machine Learning Tools)

Tapestry (Electric Grid Virtualization)

Intrinsic (Robotics and Artificial Intelligence Software)

Mineral (Computational Agriculture Using AI, Sensors and Robotics)

Tidal (Underwater Camera System and Machine Perception)

Taara (Wireless Optical Communications)

Wing (Delivery Drones)

Waymo (Self-Driving Cars)

Verily (Healthcare and Disease Prevention Research), **verily**

Glass Enterprise Edition (Smart Glasses)

Malta (Salt-Based Energy Storage)

Dandelion (Geothermal Energy)

Brain (AI and Machine Learning)

Chronicle (Cybersecurity Intelligence and Analytics Platform)

Other Businesses

Calico (Drugs for Age Related Diseases)

CapitalG (Private Equity Fund)

DeepMind (AI Research) (as of Jan 2023, included in Corporate Costs)

Google Fiber | **Google Fiber** (Fiber optic Internet)

Google Ventures (Venture Capital Fund)

Other Bets Competition

Health Technology (Callio)

Self-Driving Cars (Waymo)

Internet Services (Google Fiber)

Buck (Life Insurance)

cruise (Cruise Line)

fios (Cable TV)

ZOOX (Autonomous Vehicle)

xfinity (Cable TV)

Overview: Mountainview, California-based Google was incorporated in California in September 1998 and re-incorporated in the State of Delaware in August 2003. In 2015, it implemented a holding company reorganization, and as a result, Alphabet Inc. became the successor issuer to Google. Google generates revenues by delivering relevant, cost-effective online advertising, cloud-based solutions that provide enterprise customers with infrastructure and platform services as well as communication and collaboration tools; sales of other products and services, such as apps and in-app purchases, and hardware; and fees received for subscription-based products.

Share Data

NASDAQ Ticker Symbol: Class A - "GOOGL" Class B - "GOOG" Class C - "GOOQ"

Share Price: Class A: \$120.11 Class B: \$120.93 (07/06/23)

(Although lacking the right to vote, Class C shares are usually more expensive to buy than Class A shares. Because Alphabet only repurchases Class C shares, Class C shares have more demand.)

Earnings Per Share (Trailing 12 Months): \$4.55

Annual Dividend: None

Market Capitalization: Class A: \$1,506T Class C: \$,1506T (07/08/2023)

Financial Highlights

Consolidated Revenues: \$282.8B

Cost of Revenues: \$126.2B

Operating Expenses: \$81.8B

Operating Income: \$74.8B

Net Income: \$60.0B

Balance Sheet

Total Assets: \$365.3B

Total Liabilities: \$109.1B

Long Term Debt: \$14.7B

Equity: \$256.1B

Cash Flow

Provided by Operations: \$91.5B

Used in Investing: (\$20.3B)

Used in Financing: (\$69.8M)

Resources

Employees: ~9,500 (66% in the U.S., 17% in Norway, 9% in Canada, 8% in Other Global Locations)

Headquarters: Mountain View, CA

Countries with Operations and Activities: 13

Key Developments

Reclass of AI beginning in January 2023, Alphabet updated its segment reporting. DeepMind's AI activities (previously reported in Other Bets) is now reported as part of Alphabet's corporate costs, reflecting its increasing collaboration with Google Services, Google Cloud, and Other Bets. Prior periods will be recast to conform to the revised presentation.

Headcount and Office Reductions. In January 2023, Alphabet announced a workforce reduction of ~12,000 roles (with a ~\$2.0+ billion severance charge). Alphabet is taking actions to optimize its global office space (with estimated exit costs of ~\$500 million).

Outside Relationships

Customers | **Suppliers** | **Capital** | **Regulators**

Subjects of U.S. Regulation

Securities

U.S. Securities and Exchange Commission (SEC) (Securities Law Disclosure and Reporting Requirements; Anti-Fraud Law Record-Keeping Requirements)

NASDAQ Global Select Market (Listing, Maintenance and Corporate Accountability Rules)

Nasdaq

Tax

U.S. Internal Revenue Service (IRS) (Regulation of Corporate Income Taxes, Payroll Taxes, and Withholding Taxes)

U.S. Copyright Office (UCO) (Copyright Registrations; Safe Harbor Against Liability for Linking, Caching, Hosting Third-Party Content)

Significant Shareholders (Class B Stock)

Larry Page & Sergey Brin (85.8%) (~51.2% of Voting Power of Outstanding Common Stock)

Significant Shareholders (Class A Stock)

Vanguard Group (8.19%)

Vanguard

BlackRock Fund (7.1%)

BlackRock

SSGA Funds Management (3.65%)

STAT STREET

Fidelity Management and Research (3.50%)

WPP GroupM (Advertising Services)

groupm

IT Vendors and Third-Party Patent Owners (Networking Equipment, Business Software and Applications, Business Licenses, and IT Hardware)

App Developers and Content Creators

Submission of User-Generated Content to YouTube Platforms

Payment for Content Acquisition on YouTube and Google Play (Fees Based on Revenues Generated or a Flat Fee)

Consumer Licenses of Cloud Storage Services and Sales of Productivity, Mail, Calendar, Messaging, Map/Navigation, Music, Photo, and Other Applications and Services

Individual and Business Customers

Tablet Users

Desktop and Laptop Computer Users

Auto Owners

TV Watchers

Smart Phone Users

Advertisers

Businesses

Organizations

Universities

Political Campaigns

Other Bets Partners

AbbVie (Drug R&D)

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