

## Verily

### 2019 Modern Slavery Statement

#### Introduction

Verily Life Sciences LLC and its subsidiary, Verily Ireland Limited (together, “Verily”) is committed to treating all workers with respect and dignity, ensuring safe working conditions, and conducting environmentally responsible ethical operations.

Verily is issuing this statement pursuant to the UK Modern Slavery Act and California Transparency in Supply Chains Act, which require Verily to disclose its efforts to ensure that modern slavery does not occur in its supply chains and business operations. This is our third statement, covering our 2019 financial year (January 1 - December 31, 2019).

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.

#### Structure, business, and supply chain

Formed in 2015, Verily Life Sciences is a subsidiary of Alphabet focused on life sciences and healthcare. Verily’s mission is to make the world’s health data useful so that people enjoy healthier lives. Verily develops tools and devices to collect, organize and activate health data, and creates interventions to prevent and manage disease. Verily partners with leading life sciences, medical device and government organizations, using deep hardware, software, scientific, and healthcare expertise to enable faster development, meaningful advances, and deployment at scale. Verily receives development payments for its research and development work and, in most cases, downstream royalties or equity ownership. Verily does not own or operate commercial manufacturing facilities. Because of this, its anti-slavery efforts require strong collaboration and engagement with suppliers that manufacture products on its behalf.

#### Internal management, accountability, and programs

Verily participates in Google’s Responsible Supply Chain programs and, as such, is subject to the policies and procedures associated with the program. Regular updates on the status of the Responsible Supply Chain Program—which includes addressing modern slavery risk—are provided to a Steering Committee composed of Google’s Chief Ethics and Compliance Officer and leaders from Google’s and Verily’s product areas. While day-to-day compliance program management is operated by Google, Verily-specific supply chain sustainability or modern slavery compliance concerns are addressed in collaboration with Verily.

#### Policies addressing ethical conduct and prevention of modern slavery

Verily has adopted a [Code of Conduct](#) (the “Code”), which sets forth expectations regarding compliance with laws and regulations, including anti-slavery legislation such as the UK Modern Slavery Act and the California Transparency in Supply Chains Act. The Code encourages Verily employees to contact Verily’s anonymous Compliance Hotline (“Hotline”) to raise questions or concerns about the Code and to report suspected violations. Employees failing to follow the Code can be subject to disciplinary action, including

termination of employment. Failure of a Verily contractor, consultant or other covered service provider to follow the Code can result in termination of its relationship with Verily.

Verily has implemented a Policy Against Modern Slavery, which prohibits Verily employees from knowingly engaging in or supporting human trafficking or child labor practices in its business operations. A Verily employee, contractor, service provider, supplier, or vendor who knowingly engages in or otherwise takes action to support human trafficking or child labor practices will be disciplined up to and including termination of employment or business relationship.

Verily has implemented a [Supplier Code of Conduct](#) (the “Supplier Code”) for its product and research and development suppliers (collectively, “suppliers”). The Supplier Code is based on the Electronic Industry Citizenship Coalition Code of Conduct; international standards, such as the United Nations Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights; and Verily’s own values. Verily seeks to have all of its direct suppliers certify compliance with the Supplier Code either through direct signature of the Supplier Code or the inclusion of a certification clause in an executed contract. The Supplier Code sets standards designed to protect the health, safety, and treatment of workers, including the prohibition of any form of forced, bonded (including debt bondage), or indentured labor; involuntary prison labor; sex trafficking; or slavery or trafficking of people.

## **Training**

Training on the Code reinforces the expectation that Verily employees, temporary workers, and contractors (collectively, “Verily workers”) follow applicable laws and report concerns of illegal or unethical activity. Verily has in place an online training course that includes anti-modern slavery education for Verily workers in roles related to supplier management.

## **Risk assessment**

Verily’s supply chain is regularly assessed for risk associated with modern slavery. The factors considered in these assessments are based on international standards described by the [Universal Declaration of Human Rights](#) and the [International Labour Organization](#) as well as industry standards. Verily works with Google’s Responsible Supply Chain team to evaluate and address modern slavery risks, among other risks, presented by its suppliers.

## **Due diligence and contracting**

Verily’s contracting practices are managed by Verily’s legal team, in alignment with the policies and processes developed by Google regarding supplier conduct. Due diligence is conducted on Verily’s direct suppliers.

As part of the due diligence process, suppliers complete a self-assessment questionnaire about their management systems. The due diligence process includes company information, warehouse, acceptance activities, capabilities assessments, and certifications (if applicable). For higher-risk production suppliers, Verily performs comprehensive background checks, an examination of labor-related red flags that appear in publicly available databases and media sources, and a review of suppliers’ names against human trafficking watch lists.

If red flags are discovered, extensive and documented follow-up is conducted to remediate those issues. In certain cases, Verily may decide to no longer pursue a relationship or to terminate the current relationship with a supplier.

### **Assessing and reporting on effectiveness**

Periodic, independent third-party or internal, audits are performed at higher-risk Verily 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 suppliers' performance in the areas covered by the Supplier Code, including modern slavery risk. Any issues identified during the audit are investigated to determine root causes and develop corrective action plans. While audits are not unannounced, Verily supplier managers are trained to report any concerns they might observe on an ongoing basis.

In addition to audits, risk is assessed at Verily suppliers via 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**

Issues related to modern slavery can be reported by Verily workers via their manager, Human Resources, or Trust & Compliance. The Hotline gives callers an option to report concerns anonymously. The mechanisms for reporting are promoted through internal policies, communications, and trainings. In addition, Verily strictly prohibits retaliation for raising concerns.

If a modern slavery concern is raised through the Hotline or other reporting channels, Verily's Trust & Compliance team coordinates with appropriate stakeholders at Verily and at Alphabet 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.

### **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 approved by Verily Life Sciences LLC Operating Board.



Andrew Conrad  
Chief Executive Officer and Board Member, Verily Life Sciences LLC  
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