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Rt Hon Stephen Timms MP
Chair of the Work and Pensions Committee
House of Commons
London
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2 June 2021

Dear Mr. Timms

I am writing to you in your role as Chair of the Work and Pensions Committee to provide you with an update on our efforts to address pensions and other financial fraud on our platforms. I know this is an issue of great concern to you and we take our responsibility in this area very seriously. We are committed to preventing our users from being exposed to scam ads, and are devoting sustained attention and resources to addressing this. For the last 18 months, we have been working closely with the Financial Conduct Authority to evolve our approach to tackle bad actors who seek to exploit our platform. We have been investing in new processes, to stop scammers before they reach our platform, as well as updates to our policies to capture the ever-changing tactics employed by scammers.

Google has a crucial stake in a healthy and sustainable digital advertising ecosystem. People trust Google when they're looking for information and we're committed to ensuring they can trust the ads they see on our platforms, too. We have teams of engineers, policy experts, and product managers and invest significant technological resources to protect our users, advertisers and publishers. In 2020 we took down 3.1 billion bad ads, including over 123 million ads for violating our financial services policy and an additional 101 million ads for misleading users under our misrepresentation policy. We suspended more than 1.7 million advertiser accounts for egregious policy violations. These numbers demonstrate the efficacy of our systems in catching bad actors who seek to circumvent and exploit our systems, but also the scale of the challenge we face. Full details of our actions can be found in our 2020 annual report: https://services.google.com/fh/files/misc/ads_safety_report_2020.pdf.

Over the course of the last year we have worked closely with the Financial Conduct Authority to ensure we are approaching the issue of online financial services advertising effectively, sharing information and expertise to ensure our policies are reflective of developments in the regulatory space and, most importantly, continue to keep users safe on our platforms. We have listened carefully to the FCA, Treasury, and other stakeholders and we value the robust and constructive engagement we have had to date. Our work with the FCA has helped inform how we have evolved our approach and in the last 18 months we have:

- **Prevented ads linking to the more than 4,000 websites featured on the FCA's Warning List in response to alerts from the FCA**. Although we have found that the vast majority of these domains were never live on our platforms, we take action to prevent ads linking to each of them in the future. We continue to work with the FCA on ways to ensure they are able to provide this data more quickly.
- **Introduced two new forms of verification checks** for financial services advertisers including Business Operations Verification and Advertiser Identity Verification. We pause advertiser accounts while they undergo these processes, if there are indications that they present a higher risk to users.
- **Updated our financial advertising policies** to restrict the rates of return a firm can advertise and ban the use of terms that make unrealistic claims.
- **Undertaken a review of user experiences that tend to be targeted in the UK by bad actors** and have introduced further restrictions, preventing ads from showing on those searches.

We continue to work closely with the FCA to make sure we effectively tackle financial fraud, without disadvantaging legitimate British companies who advertise valuable services of benefit to consumers and the wider economy. Over the next few months we will be developing and rolling out further restrictions to financial services advertising in the UK to protect consumers and legitimate advertisers.

This is a detailed issue, which requires careful consideration of all parts of this complex ecosystem. We know that the UK financial services sector is a critical contributor to the UK economy and we want to be able to support these businesses by enabling the advertisement of legal products to our users who are looking for these services, while ensuring that adverts that do not comply with our policies or the law have no place on our platforms.

Over the last few years, people in the UK have been targeted by increasingly sophisticated scammers on and offline. According to UK Finance, in 2020, total fraud loss was £1.26 billion. We know that organised criminals are adaptable and will evolve their approach in response to whatever counter-measures we implement and will target any weak-spots in the wider system. Tackling the scale of this problem requires strong and sustained collaboration across government, the financial services industry, the telecommunications industry, the tech industry and law enforcement, in addition to the above unilateral actions. Each relevant organisation needs to play its part to have a meaningful and lasting impact on the problem and Google is determined to play a constructive role in this effort. To support the broader ecosystem we have:

- **Pledged ad credits, worth $5m, to support public awareness campaigns.** These ads credits will be offered to cross-industry organisations already campaigning on the issue, as well as government bodies undertaking awareness campaigns, to be used towards the cost of advertising spend with Google to ensure they can raise awareness of the risk of scams with consumers.
- **Become the first tech company to join Stop Scams UK.** This will allow us to work more closely with other industry partners to tackle this issue in a coordinated way. We look forward to developing and sharing best practices with companies in the financial services and telecoms sector, to help stop scams at source.
- **Joined the Government Online Fraud Steering Group.** Co-chaired by TechUK and UK Finance, we hope that this will lead to meaningful, cross-industry commitments and action.

I hope that this update is helpful and demonstrates how seriously we are taking this issue. We understand that solving this challenge will take a coordinated effort across industry and we believe that our policy changes and other efforts are an important step on this journey. I would welcome the opportunity to keep you informed of our progress in the weeks ahead.

Yours sincerely

Katie O’Donovan
Director, Government Affairs and Public Policy
Google UK