

WHEREAS, the UN Guiding Principles on Business and Human Rights state that companies have a responsibility to respect human rights within their operations and throughout their value chains. This responsibility entails that companies should commit to respecting human rights; know their human rights risks and impacts; take concrete steps to prevent, mitigate, and remediate adverse impacts when they occur; and publicly communicate how they are addressing the most severe impacts.

Amazon.com Inc. ("Amazon" or the "Company") has adopted a Supplier Code of Conduct and Key Commitments which require suppliers to respect certain core labor rights standards. However, neither applies to employees within Amazon's own operations or its subsidiaries.

In 2018 Amazon reported 647,500 full-time and part-time staff¹, having nearly quadrupled in five years², primarily driven by the company's rapid expansion. Amazon has come under increasing scrutiny for working conditions in its warehouses, known as Fulfillment Centers. The National Council for Occupational Safety and Health's 2018 and 2019 "Dirty Dozen" lists Amazon as one of the most dangerous employers in the U.S.³

In addition, there have been several reported incidents over recent years of poor working conditions⁴, with workers having engaged in strikes around Prime Day and Black Friday to protest working conditions,⁵ and have alleged retaliation for speaking up.⁶ The company's labor rights record has become an issue in the U.S. presidential election.⁷

These concerns about Amazon's labor rights record have negatively affected Amazon's social license to operate and may interfere with its growth strategy. Opposition to the Company's second headquarters in New York stemmed in significant part from Amazon's anti-union activities.⁸ According to an October 2019 New Yorker article, "Amazon now has such a severe image problem that it can no longer count on being able to do whatever it pleases."⁹

Human rights compliance is an essential aspect of Human Capital Management (HCM), and, as noted by the SEC Investor Advisory Committee, "research has found that high quality HCM practices correlate with lower employee turnover, higher productivity, and better corporate financial performance, producing a considerable and sustained alpha over time."¹⁰ The SEC is also currently undergoing rule-making to increase the disclosure of HCM practices, in recognition of the importance of effectively managing human capital¹¹.

Accordingly, we believe that it is important for Amazon to commit publicly to respecting labor rights in its own operations.

RESOLVED: Shareholders ask the Board of Directors of Amazon to adopt and publicly disclose a comprehensive policy applicable to Amazon's operations and subsidiaries that commits the company to respect human rights, including ensuring safe and healthy workplaces; prohibiting discrimination and retaliation; affirming the right of workers to form and join trade unions and bargain collectively; and describing the process the Company will use to identify, assess, prevent, mitigate, and, where appropriate, address adverse human rights impacts.

1 <https://ir.aboutamazon.com/node/32656/html>

2 <https://ir.aboutamazon.com/node/29431/html>

3 http://nationalcosh.org/sites/default/files/uploads/2019_Dirty_Dozen.pdf, at 12-14

4 <https://www.thedailybeast.com/amazon-the-shocking-911-calls-from-inside-its-warehouses>

5 <https://www.washingtonpost.com/business/2019/07/15/amazon-workers-minnesota-prime-day-means-protest/>; <https://mashable.com/article/amazon-workers-black-friday-strike-europe-uk/>

6 <https://www.nytimes.com/2019/03/20/business/economy/amazon-warehouse-labor.html>

7 <https://twitter.com/ewarren/status/1150760629583712257>;
<https://twitter.com/sensanders/status/1150802591535775744?lang=en>

8 <https://www.nytimes.com/2019/02/14/nyregion/amazon-hq2-queens.html>

9 <https://www.newyorker.com/magazine/2019/10/21/is-amazon-unstoppable>

10 <https://www.sec.gov/spotlight/investor-advisory-committee-2012/human-capital-disclosure-recommendation.pdf> 11
<https://www.sec.gov/rules/proposed/2019/33-10668.pdf>