

WHEREAS as shareholders, we look to companies to manage human rights risks and impacts to demonstrate sound corporate governance and risk oversight. This is an effective means for management to mitigate against significant operational, financial, and reputational risks associated with negative human rights impacts throughout its supply chain. Additionally, company efforts to align policies with human rights standards like the United Nations Guiding Principles on Business and Human Rights,¹ facilitate sustainable business planning, and improve relations with customers, workers, and business partners.

RESOLVED: Shareholders request that Amazon publish Human Rights Impact Assessment(s) ("Assessment"), at reasonable cost and omitting proprietary/confidential information, examining the actual and potential impacts of one or more high risk² products sold by Amazon or its subsidiaries. An Assessment should evaluate human rights impacts throughout the supply chain.

Supporting Statement: Proponents recommend that Assessments include the following information:

- Human rights standards used to frame the Assessment;
- Actual and potential adverse impacts associated with the high-risk product(s); and
- Overview of how the findings will be acted upon to prevent, mitigate and/or remedy impacts.

Companies that cause, contribute to, or are directly linked to human rights abuses face material risks, including reputational damage, project disruptions, and litigation, which can undermine shareholder value. Public scrutiny is intensifying reputational risks for retailers selling goods produced with child or forced labor: the NY Times detailed slave labor in Southeast Asia's shrimp industry,³ the Wall Street Journal revealed labor abuses in Malaysia's palm oil sector,⁴ and CNN chronicled rampant labor abuse among U.S. tomato producers.⁵ Amazon is not immune to these risks: as owners of Whole Foods and AmazonFresh, which sell these types of products, Amazon is exposed to significant risk. The Department of Labor has identified dozens of products that appear on Whole Foods's shelves, including palm oil, cocoa and bananas, as produced using forced or child labor in some countries.⁶

While human rights issues are addressed in Amazon's Supplier Code of Conduct, Amazon describes specific audits and does not indicate that it performs Assessments. Audits do not comprehensively evaluate actual and potential risks to human rights of stakeholders throughout supply chains. Human rights Assessments would allow Amazon to identify and take steps to prevent such impacts. Furthermore, while Proponents appreciate Amazon's Human Rights Policy assurance

that they “implement plans to address issues and make improvements where necessary,” this statement does not constitute an Assessment, nor provide shareholders with information about specific risks related to Amazon’s products. By contrast, leading companies like Coca Cola and Nestlé publish human rights Assessments on high risk food products in their supply chains.

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https://www.ohchr.org/documents/publications/GuidingprinciplesBusinessshr_eN.pdf

2 High risk products may be selected by: (1) identifying products that pose the most salient human rights risks, which refers to those that could have severe negative impacts; and then (2) prioritizing which products to assess, based upon actual or potential severity of adverse impact on human rights.³

<https://www.nytimes.com/2014/06/22/opinion/sunday/thai-seafood-is-contaminated-by-human-trafficking.html>

4 <https://www.wsj.com/articles/palm-oil-migrant-workers-tell-of-abuses-on-malaysian-plantations-1437933321>

5 <https://www.cnn.com/2017/05/30/world/ciw-fair-food-program-freedom-project/index.html>

6 <https://www.dol.gov/sites/dolgov/files/ILAB/ListofGoods.pdf>