

WHEREAS: Full disclosure of Amazon.com's ("Amazon") lobbying activities and expenditures is needed to assess whether such lobbying fully serves shareholder best interest, and is consistent with Amazon's policy goals.

RESOLVED: Amazon shareholders request the preparation of an annual report that discloses Amazon's:

1. Policies and procedures that govern lobbying, both direct and indirect, and its grassroots lobbying communications.
2. Payments that are used for: (A) direct or indirect lobbying, or (B) grassroots lobbying communications – in each case including the amount of the payment and the recipient.
3. Board and management decision-making processes, and oversight for making the payments described above.

For these purposes, a "grassroots lobbying communication" is one directed to the general public that:

- Refers to specific legislation or regulation,
- Reflects a view on legislation or regulation, or
- Encourages the recipient to take action regarding legislation or regulation.

"Indirect lobbying" is lobbying conducted by trade associations or other organizations to which Amazon contributes. Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state, and federal levels.

This report shall be presented to the Audit Committee and posted on Amazon's website.

Supporting Statement: From 2015-2018 Amazon spent \$48.2 million on federal lobbying, which does not include state lobbying, where Amazon also lobbies but disclosure is uneven or entirely absent. For example, from 2012-2018 Amazon spent \$1.38 million lobbying in California. Amazon's lobbying "to tamp down ballooning scrutiny and threats of heavy regulation" has generated questionable media attention.¹ Amazon also lobbies abroad, in 2018 having spent between €1.75-2.0 million on European lobbying efforts.

Amazon fails to disclose belonging to the Business Roundtable ("BRT"), which spent \$23.2 million lobbying dollars in 2018. Amazon signed the socially responsible BRT Statement on the Purpose of the Corporation, yet the BRT lobbies to limit the essential ownership right of stockholders to file shareholder proposals like this one.

While Amazon does disclose the gross amounts of trade association and 501(c)4 payments, it does not break out payments by group, and fails to disclose the portions of these payments that are used for lobbying.

Lack of disclosure can present serious reputational risk when its lobbying contradicts Amazon's public positions. For example, Amazon joined the We Are Still In campaign – launched after President Trump dropped out of the Paris climate agreement – but The New York Times reports² that Amazon donated \$15,000 to the Competitive Enterprise Institute, which disputes climate change science. Amazon cofounded The Climate Pledge, announcing a commitment to meet the Paris Agreement 10 years early,³ yet is a member of the U.S. Chamber of Commerce, which has spent over \$1.5 billion lobbying since 1998, working actively to undermine the Paris climate accord.⁴ Such contradictions between Amazon's policy and its lobbying efforts can create reputational damage, negatively impact our ability to attract and retain talent, and harm long-term value.

THEREFORE: Please vote FOR an expansion of Amazon's lobbying disclosure.

1 www.politico.com/story/2019/07/23/amazon-facebook-lobbying-record-1611958

2 <https://www.nytimes.com/2019/07/10/climate/nyt-climate-newsletter-cei.html>

3 www.sustainability.aboutamazon.com/sustainable-operations/amazon-co-founds-the-climate-pledge-setting-goal-to-meet-the-paris-agreement-10-years-early

4 www.bloomberg.com/news/articles/2017-06-09/paris-pullout-pits-chamber-against-some-of-its-biggest-members