

On average, 250,000 hate crimes were perpetrated in America each year between 2004 and 2015 according to the Bureau of Justice Statistics, which defines hate crimes as "crimes that the victim perceived to be motivated by bias due to the victim's race, ethnicity, disability, sexual orientation, or religion."

(<https://bit.ly/2vO6T0c>) Hate crimes appear to be on the rise

(<https://wapo.st/2zNrNM4>), and some have suggested that online hate speech, which Merriam-Webster defines as speech expressing hatred of a particular group of people, can weaken inhibitions against harmful acts. (<https://time/2qtvdzh>)

Amazon.com, Inc.'s ("Amazon's") Offensive Products policies state that "Amazon does not allow products that promote, incite or glorify hatred, violence, racial, sexual or religious intolerance or promote organizations with such views."

(<https://amzn.to/2WZTa0q>, accessed November 9, 2019)

Unfortunately, this policy appears to be applied inconsistently, which may indicate a lack of clear internal policies and effective controls. A 2018 report found racist, Islamophobic, homophobic and anti Semitic items on Amazon's platforms.

(<https://bit.ly/2NxgaRk>) While Amazon removed some products after the report's publication, as of November 2019, searches on Amazon.com showed that

controversial products continue to be available. A search for "Kek," a satirical religion associated with the white nationalist movement, returned results for multiple items. In December 2019, *Huffpost* reported that Holocaust-themed items, including ornaments and mouse pads, were available on Amazon, some with a seller description reading "Massacre Auschwitz (sic) Birkenau Jewish Death."

(<https://bit.ly/2PuF1VX>)

Amazon's Offensive Products policies do not apply to books, music, video and DVD. According to a recent report, with respect to these products, Amazon's algorithm for product search proactively directs customers who search for white supremacist or other extremist content to additional extremist content. (<https://bit.ly/332jgBy>)

Facilitating the sale of offensive products could expose Amazon to reputational damage and impair relationships with key stakeholders. This is particularly true as Amazon continues to pursue growth in diverse and culturally complex international markets.

Other companies, including Ryanair and Waffle House, have faced boycotts for failing to address racism encountered by customers. Both Germany and the European Union have enacted laws restricting hate speech. For instance, a German law requires the removal of hate speech within 24 hours and levies fines against companies that do not comply.

Amazon's employees may feel uncomfortable aiding in the dissemination of hateful materials and employees belonging to targeted groups may feel unsupported by Amazon. According to research published in the *Harvard Business Review*, disengaged employees have 37% higher absenteeism, 49% more accidents, and 18% lower productivity. (<https://bit.ly/37wmmRV>)

RESOLVED: Investors request that Amazon report on its efforts to address hate speech and the sale or promotion of offensive products throughout its businesses. The report should be produced at reasonable cost, exclude proprietary information and discuss Amazon's process for developing policies to address hate speech and offensive products, including the experts and stakeholders with whom Amazon consulted, and the enforcement mechanisms it has put in place, or intends to put in place, to ensure hate speech and offensive products are effectively addressed.