

# Supply Chain

Amazon is strongly committed to conducting our business in a lawful and ethical manner, including engaging with suppliers who respect human rights, provide safe and inclusive workplaces, and promote a sustainable future.



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# Our Approach to Responsible Sourcing

Our mission is for our products to be made in a way that respects human rights and the environment. Our global teams work closely with suppliers to communicate our standards, and help suppliers build their capacity to provide working environments that are safe and respectful of human rights.

Our standards are derived from the United Nations Guiding Principles on Business and Human Rights and the Core Conventions of the International Labour Organisation (ILO), including the ILO Declaration on Fundamental Principles and Rights at Work and the UN Universal Declaration of Human Rights. To ensure that our policies and programmes incorporate these internationally recognised human rights standards, we conduct formal benchmarking with industry peers and multilateral groups to design, operate and continually improve our risk assessment and supplier assessment programme. We regularly review our Supplier Code of Conduct against policies developed by industry associations (such as the Responsible Business Alliance and the Consumer Goods Forum) and have further developed our standards in consultation with external stakeholders including Nest ([buildanest.org](http://buildanest.org)), Business for Social Responsibility ([bsr.org](http://bsr.org)), Impactt Limited ([impacttlimited.com](http://impacttlimited.com)) and Verité ([verite.org](http://verite.org)).

## Our Footprint

Our responsible sourcing programme covers Amazon-branded products and devices, with a first-tier supply chain encompassing hundreds of thousands of workers, employed via suppliers around the globe.

We believe supply chain transparency is crucial to our approach to human rights due diligence. The facilities that produce Amazon-branded clothing, consumer electronics and home goods products are shown on our Supply Chain Map. [▶ amzn.to/uk-around-the-globe](https://amzn.to/uk-around-the-globe)

This data is updated frequently, most recently in November 2019. A list of those suppliers is also available for download. We publish the list to provide customers and external stakeholders visibility into where we source, and to shed light on factory conditions. When we receive information about concerns in our supply chain we investigate and take appropriate action to address concerns.

We routinely evaluate our supply chain to understand the impact of relevant aspects of our business on human rights and working conditions. To do this, we engage key internal and external stakeholders, analyse our risks using international risk indices such as the World Bank's Worldwide Governance Indicators, run worker surveys and conduct assessments that include worker interviews, management interviews, document review and on-site visits. We regularly consult industry experts to review our practices against globally recognised international standards and industry best practices.



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## Supplier Assessments

We are committed to robust due diligence, prioritising mechanisms that drive long-term improvement. Find out more about our process of enforcing our Supply Chain Standards in our Supplier Manual. To support this commitment:

- We expect our suppliers to consistently monitor and enforce our standards in their own operations and supply chain, as well as make improvements to meet or exceed our expectations.
- We use independent auditors to verify compliance with our Supply Chain Standards via regular on-site inspections and confidential worker interviews of suppliers that produce Amazon-branded products. Suppliers must submit an Amazon-approved assessment of their facilities before beginning production of Amazon-branded products.
- We operate on a policy of continuous improvement; when violations of our standards occur, we are committed to working with our suppliers to remedy any issues. When violations are identified, suppliers must develop a corrective action plan that details immediate actions to address high-risk issues, and a long-term plan to prevent issues from reoccurring. Where suppliers fail to meet our standards or refuse to make progress on remediating issues, we may choose to terminate the relationship.
- We require all facilities that produce Amazon-branded products to meet and maintain, at a minimum, a basic set of requirements to qualify for initial and continued production.
- We communicate regularly with suppliers to find solutions to challenging problems and promote open dialogue.
- We seek to create long-term relationships with suppliers who align with our values and are committed to constantly improving conditions for workers.
- We support stakeholder collaboration and cross-industry initiatives as a way to drive systemic change.

## Supply Chain Standards

We set a high bar for ourselves and our suppliers. Our Supply Chain Standards detail the requirements and expectations for suppliers in our supply chain, and suppliers must contractually commit to these standards as a condition of doing business with us. [▶ amzn.to/supply-chain-standards](https://amzn.to/supply-chain-standards)

## Supplier Manual

Our Supplier Manual provides guidance and resources to suppliers of Amazon-branded products on how to meet and exceed the expectations outlined in our Supply Chain Standards. [▶ amzn.to/supplier-manual](https://amzn.to/supplier-manual)



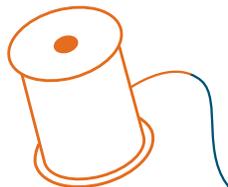
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# Supply Chain Commitments

We evaluate our supply chain to identify the industries, countries and issues where we have the greatest opportunities to identify and address risks and have a positive impact on workers. In the event that we identify an issue in our supply chain, we act fast and prioritise solutions from the workers' point of view.



We work with industry partners to prevent systemic issues and implement programmes that support continuous improvement for our suppliers and workers. As a part of our due diligence efforts to identify, prevent and mitigate adverse impacts, we leverage internal and external data, and guidance from external stakeholders including industry experts, civil society groups and non-governmental organisations. In 2020, we will expand our risk assessment approach by engaging in an assessment of our salient human rights risks and conduct human rights impact assessments to deep dive on specific products, regions, or risk areas, which we will communicate to customers and stakeholders.



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## Human Rights

Our strategy towards human rights due diligence is rooted in a commitment to continuous improvement. As a part of our efforts to identify, prevent and mitigate adverse supply chain impacts, we leverage internal and external data, and guidance from external stakeholders including industry experts, civil society groups and non-governmental organisations. In 2020, we are partnering with sustainability and human rights consulting firm Article One Advisors, to launch an assessment of Amazon's salient human rights risks. The results of this assessment will help us prioritise human rights impact assessments to deep dive on specific products, regions, or risk areas, which we will communicate to customers and stakeholders.

Our goal: To launch a Human Rights Saliency Assessment in 2020.

## Safe Workplaces

Safe and healthy workplaces are a top priority for Amazon. We have global teams who partner with suppliers to increase worker awareness of safety issues, promote worker participation in their facility's safety culture and promote initiatives focused on the well-being of workers on issues that matter most to them.

Our suppliers must provide workers with a safe and healthy work environment; suppliers must, at a minimum, comply with applicable laws regarding working conditions. Additionally, we are committed to driving improvement in these key priority areas: (1) occupational safety, including adequate machine safeguarding and ensuring that suppliers continually identify, evaluate and control physically demanding tasks to ensure that worker health and safety is not jeopardised; (2) emergency preparedness and response planning; and (3) sanitation and housing where, if suppliers provide residential facilities for their workers, they must provide clean and safe accommodation.

We conduct on-site audits of suppliers of Amazon-branded products to determine safety conditions throughout our business relationship – often multiple times a year. This includes assessments of protections such as adequate fire safety systems, sanitary dormitories and facilities, and adequate machine safeguarding.

We require these suppliers to address material safety issues prior to beginning production with Amazon. Audit and assessment results are reviewed regularly by the leadership of our Amazon-branded businesses, and corrective action plans are implemented with suppliers as needed.

## Freely Chosen Employment

We will not tolerate the use of forced labour in our supply chain. Our Supplier Code of Conduct prohibits all forms of forced labour and human trafficking; this includes charging workers recruitment fees, holding passports or personal documentation and coercion to work by threats of deportation or contacting immigration authorities. During our investigations, we track where vulnerable workers migrated from and how much they paid in recruitment fees. If fees have been paid, we require the supplier to reimburse workers in full.

We are collaborating with industry associations to address these issues holistically and spur change in the broader recruitment industry. These include:

**Tech Against Trafficking:** Tech Against Trafficking is a coalition of technology companies collaborating with global experts to help eradicate human trafficking using technology.

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**Responsible Labour Initiative:** The Responsible Labour Initiative is a multi-industry, multi-stakeholder initiative focused on ensuring that the rights of workers vulnerable to forced labour in global supply chains are consistently respected and promoted.

**Our goals:**

- 100 % of Amazon employees who drive trucks complete Truckers Against Trafficking training by the end of 2020.
- Launch supplier improvement programme focused on responsible recruitment by the end of 2020.

**Empowering Women**

Quality jobs for women translate to positive impacts for communities, and we are actively working to empower women across dimensions of health, finances and career development. This includes collaborating with globally recognised programmes such as Better Work and, in 2019, beginning an initiative with Business and Social Responsibility's HERproject. To date, over 8000 women in our supply chain are involved in BSR HERproject.

**Fair Wages**

We are committed to working closely with suppliers, business partners and multi-stakeholder associations to monitor and promote continuous improvement in working conditions, including fair and on-time payment of wages. We have dedicated teams across the globe that work directly with suppliers to track and report performance against these standards.

Our suppliers are required to pay legally required compensation (including overtime and benefits) and we encourage our suppliers to continuously evaluate whether workers earn enough to meet their basic needs and the needs of their family.

We require all eligible suppliers to enrol in the Better Work programme. By working with suppliers and training workers on their rights, Better Work is able to help workers improve wages over time.

**Environmental Protection**

Our aim is to ensure that our products do not cause unnecessary environmental harm, and positively impact people and communities. We are a member of the Sustainable Apparel Coalition (Coalition). The Coalition is an industry-wide group of leading clothing and footwear brands, retailers, manufacturers, non-governmental organisations, academic experts and government organisations working to reduce the environmental and social impacts of clothing products around the world.

We encourage our Amazon-branded suppliers to evaluate their practices using the Coalition's Higg Index. We are committed to driving adoption of this assessment and helping our suppliers understand their environmental impact.

