



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

April 6, 2022

Ronald O. Mueller
Gibson, Dunn & Crutcher LLP

Re: Amazon.com, Inc. (the "Company")
Incoming letter dated January 24, 2022

Dear Mr. Mueller:

This letter is in response to your correspondence concerning the shareholder proposal submitted to the Company by Thomas Dadashi Tazehozi (the "Tazehozi Proposal") and the proposal submitted to the Company by Domini Impact Equity Fund et al. (the "Domini Proposal") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Tazehozi Proposal requests that the board commission an independent audit and report of the working conditions and treatment that Company warehouse workers face, including the impact of its policies, management, performance metrics, and targets.

The Domini Proposal requests that the board commission an independent third-party audit on workplace health and safety, evaluating productivity quotas, surveillance practices, and the effects of these practices on injury rates and turnover.

We are unable to concur in your view that the Company may exclude the Tazehozi Proposal under Rule 14a-8(i)(7). In our view, the Tazehozi Proposal transcends ordinary business matters.

There appears to be some basis for your view that the Company may exclude the Domini Proposal under Rule 14a-8(i)(11). We note that the Domini Proposal is substantially duplicative of the previously submitted Tazehozi Proposal that will be included in the Company's 2022 proxy materials. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Domini Proposal from its proxy materials in reliance on Rule 14a-8(i)(11).

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2021-2022-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Sanford Lewis

Mary Beth Gallagher
Domini Impact Investments LLC

January 24, 2022

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Amazon.com, Inc.*
Shareholder Proposals of Thomas Dadashi Tazehozi and
Domini Impact Equity Fund et al.
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, Amazon.com, Inc. (the “Company”), intends to omit from its proxy statement and form of proxy for its 2022 Annual Meeting of Shareholders (collectively, the “2022 Proxy Materials”), (i) a shareholder proposal (the “Tazehozi Proposal”) and statement in support thereof (the “Tazehozi Supporting Statement”) received from Thomas Dadashi Tazehozi and (ii) a shareholder proposal (the “Domini Proposal” and, together with the Tazehozi Proposal, the “Proposals”) and statement in support thereof (the “Domini Supporting Statement” and, together with the Tazehozi Supporting Statement, the “Supporting Statements”) received from Domini Impact Equity Fund, SOC Investment Group, VCIM Global Equity Fund, Stichting Bewaarder Achmea Beleggingspools, Sisters of the Order of St. Benedict, Rock Island, IL, and Storebrand Asset Management (together with Mr. Tazehozi, the “Proponents”).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2022 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponents.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation

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Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponents that if the Proponents elect to submit additional correspondence to the Commission or the Staff with respect to the Proposals, a copy of such correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSALS

The Tazehozi Proposal requests “that the Board of Directors commission an independent audit and report of the working conditions and treatment that Amazon warehouse workers face, including the impact of its policies, management, performance metrics, and targets.” The Domini Proposal requests “that the Board of Directors commission an independent third-party audit on workplace health and safety, evaluating: productivity quotas, surveillance practices, and the effects of these practices on injury rates and turnover” and issue a report on the audit.

The Company first received the Tazehozi Proposal on December 2, 2021. A copy of the Tazehozi Proposal, the Tazehozi Supporting Statement, and related correspondence is attached to this letter as Exhibit A.¹ The Company first received the Domini Proposal on December 10, 2021. A copy of the Domini Proposal, the Domini Supporting Statement, and related correspondence is attached to this letter as Exhibit B.¹

BASES FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposals may be excluded from the 2022 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposals relate to the Company’s ordinary business operations.

Alternatively, if the Staff does not concur that the Proposals may be excluded on the basis of Rule 14a-8(i)(7), we believe that the Domini Proposal may be excluded pursuant to Rule 14a-8(i)(11) because (i) the Domini Proposal substantially duplicates the Tazehozi Proposal; (ii) the Tazehozi Proposal was submitted to the Company before the Domini Proposal; and (iii) the Company expects to include the Tazehozi Proposal in the 2022 Proxy Materials if the Staff does not concur with the Company’s request for exclusion under Rule 14a-8(i)(7).

¹ In reliance on the announcement by the Staff, we have omitted all materials submitted by co-filers and all other correspondence that is not directly relevant to this no-action request. *See* Announcement Regarding Personally Identifiable and Other Sensitive Information in Rule 14a-8 Submissions and Related Materials, available at <https://www.sec.gov/corpfin/announcement/announcement-14a-8-submissions-pii-20211217> (last updated Dec. 17, 2021).

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BACKGROUND

The Company is committed to maintaining a strong culture of safety. As reaffirmed in the Company's Global Human Rights Principles and the Company's Leadership Principles, the Company strives to be the most safety-centric organization in the world.² It endeavors to provide a clean, safe, and healthy work environment where the health and safety of workers is a top priority. The Company also devotes significant resources and effort to address the safety of its employees and contractors, including incurring more than \$15 billion in COVID-19-related costs to help keep its employees safe and deliver for its customers and \$300 million in non-COVID-19-related safety projects in 2021. As discussed in the Company's report, *Delivered with Care: Safety, Health, and Well-Being at Amazon* (the "Safety Report"),³ workplace safety is an integral part of—and is dynamically integrated into—the Company's ordinary business operations. The Company has feedback processes in place, such as Voice of Associate boards and Safety Leadership indices, designed to afford employees access to management to provide feedback on workplace safety. In addition, the Company has established a Workplace Health and Safety team, comprised of thousands of safety professionals dedicated to overseeing workplace safety for the Company's employees. The Company provides ongoing safety training to employees and performs safety inspections each day across its worldwide facilities (amounting to almost 3.4 million inspections globally in 2021). The Company also collects and analyzes data to proactively reduce and eliminate safety risks, and regularly invests in safety improvements in its fulfillment centers and other facilities as well as in technological solutions to continuously reinforce and improve safety in the Company's operations. The Company's safety policies and standards are constantly evolving and improving, both to comply with changing regulations and applicable laws as well as to incorporate on-going learning and innovation.

ANALYSIS

I. The Proposals May Be Excluded Under Rule 14a-8(i)(7) Because They Deal With Matters Relating To The Company's Ordinary Business Operations.

A. Background On The Ordinary Business Standard.

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a shareholder proposal that relates to the company's "ordinary business" operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but instead the term "is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company's business and

² Available at <https://sustainability.aboutamazon.com/governance/amazon-global-human-rights-principles>.

³ Available at <https://safety.aboutamazon.com/>.

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operations.” Exchange Act Release No. 40018 (May 21, 1998) (the “1998 Release”). In the 1998 Release, the Commission stated that the underlying policy of the ordinary business exclusion is “to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting,” and identified two central considerations that underlie this policy. *Id.* As relevant here, one of these considerations is that “[c]ertain tasks are so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” *Id.* Examples of the tasks cited by the Commission include “management of the workforce, such as the hiring, promotion, and termination of employees, decisions on production quality and quantity, and the retention of suppliers.” *Id.*

The 1998 Release further distinguishes proposals pertaining to ordinary business matters from those involving “significant social policy issues,” the latter of which are not excludable under Rule 14a-8(i)(7) because they “transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” 1998 Release. In this regard, when assessing proposals under Rule 14a-8(i)(7), the Staff considers the terms of the resolution and its supporting statement as a whole. *See* Staff Legal Bulletin No. 14C, part D.2 (June 28, 2005) (“In determining whether the focus of these proposals is a significant social policy issue, we consider both the proposal and the supporting statement as a whole.”).

A shareholder proposal being framed in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the report is within the ordinary business of the issuer. *See* Exchange Act Release No. 20091 (Aug. 16, 1983). In addition, the Staff has indicated that “[where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7).” *Johnson Controls, Inc.* (avail. Oct. 26, 1999).

B. The Proposals Are Excludable Because They Relate To Workplace Safety.

The Staff has consistently concurred that a company’s workplace health and safety is a matter of ordinary business and that proposals addressing workplace health and safety are excludable under Rule 14a-8(i)(7). The Staff recently considered this issue in the context of a similar proposal. In *Amazon.com, Inc. (International Brotherhood of Teamsters General Fund)* (avail. Apr. 1, 2020, *recon. denied* Apr. 9, 2020), the proposal requested a report on the Company’s efforts to “reduce the risk of accidents” that “describe[s] the Board’s oversight process of safety management, staffing levels, inspection and maintenance of facilities and equipment and those of the Company’s dedicated third-party contractors.” Notably, the supporting statement cited concerns about a “high speed, high stress, work

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environment,” warning letters from the U.S. Department of Labor’s Occupational Safety and Health Administration, and statistics purporting to compare the Company’s injury rates to that of the warehouse industry. In concurring with exclusion under Rule 14a-8(i)(7), the Staff noted that “the [p]roposal focuses on workplace accident prevention, an ordinary business matter, and does not transcend the Company’s ordinary business operations.”

Similarly, in *Pilgrim’s Pride Corp.* (avail. Feb. 25, 2016), the proposal requested that the company publish a report describing the company’s policies, practices, performance, and improvement targets related to occupational health and safety. The supporting statement to this proposal noted that workers in that company’s industry suffer injury and illness at five times the national average, and suffer carpal tunnel syndrome—a common type of musculo-skeletal disorder—at seven times the national average. The supporting statement further claimed that the company “was recently named to OSHA’s Severe Violator Enforcement Program for repeated or willful occupational health and safety (‘OHS’) violations, and has been fined more than \$300,000 in the last four years for OHS violations.” The company noted that workplace safety is at the core of its business operations, and that “[t]he design and operation of the [c]ompany’s production facilities center on workplace safety and efficiency.” In light of this, the company argued that the broad report requested by the proposal “implicates every aspect of the [c]ompany’s workplace safety efforts” and therefore related to the Company’s ordinary business operations. The Staff concurred, noting that the proposal “relates to workplace safety.” See also *TJX Companies Inc. (NorthStar Asset Management, Inc. Funded Pension Plan)* (avail. Apr. 9, 2021) (concurring with the exclusion of a proposal requesting a report on the company’s use of prison labor with the supporting statement citing to unsafe or unhealthy working conditions and worker mistreatment when the company argued, among other things, that the proposal was excludable as relating to overall workplace safety, workplace conditions, and general worker compensation issues); *The Home Depot, Inc.* (avail. Mar. 20, 2020) (same); *TJX Companies Inc.* (avail. Mar. 20, 2020) (same); *The Chemours Co.* (avail. Jan. 17, 2017) (concurring with the exclusion of a proposal requesting a report “on the steps the [c]ompany has taken to reduce the risk of accidents” with the supporting statement citing to a number of industrial accidents at the company’s facilities and significant regulatory fines that had been assessed against the company for various safety violations).

The Staff’s determinations in the foregoing recent precedent are consistent with decades-old precedent concurring with the exclusion of proposals addressing workplace safety as implicating a company’s ordinary business operations. See *CNF Transportation, Inc.* (avail. Jan. 26, 1998) (concurring with the exclusion of a proposal requesting that the board of directors develop and publish a safety policy accompanied by a report analyzing the long-term impact of the policy on the company’s competitiveness and shareholder value because “disclosing safety data and claims history” was a matter of the company’s ordinary business); *Chevron Corp.* (avail. Feb. 22, 1988) (concurring with the exclusion of a proposal as ordinary business because it related to the protection and safety of company employees).

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Here, the Proposals request reports on the Company’s “working conditions and treatment that [the Company’s] warehouse workers face” and “workplace health and safety.” In addition, the Supporting Statements address various concerns with warehouse worker safety, citing studies and statistics related to injury rates at Company facilities, opinions from regulators or legislative officials on health and safety issues, and statistics comparing the Company’s injury rates to that of competitors and the warehouse industry.

As with the proposals in *Amazon.com* and *Pilgrim’s Pride*, the Proposals seek information on a broad array of day-to-day safety matters at the Company, not just those described in the Proposals and the Supporting Statements. As explained above, workplace safety has been and remains a key focus of the Company. As detailed in the Safety Report, addressing workers’ health and safety is integrally related to—and is dynamically integrated into—the management of the Company’s operations, the design of the Company’s facilities, and many other aspects of the Company’s day-to-day operations, including employment staffing levels and the extent to which the Company invests in technology. As a result, workplace safety involves an enormous range of (in the words of the 1998 Release) “core matters involving the [C]ompany’s business and operations,” such as compliance with varying regulations around the world, designing and operating facilities, and attracting and retaining associates. In short, workplace safety is a significant component of the design and management of the Company’s worldwide operations. Thus, as in the precedents discussed above, because workplace safety is an integral and routine element of the Company’s day-to-day business, the Proposals may properly be excluded under Rule 14a-8(i)(7) as relating to the Company’s ordinary business operations.

C. *The Proposals May Be Excluded Because They Relate To Management Of The Company’s Workforce.*

The Commission and Staff also have long held that shareholder proposals may be excluded under Rule 14a-8(i)(7) when they relate to the Company’s management of its workforce. Notably, in *United Technologies Corp.* (avail. Feb. 19, 1993), the Staff provided the following examples of excludable ordinary business categories: “employee health benefits, general compensation issues not focused on senior executives, *management of the workplace*, *employee supervision*, labor-management relations, employee hiring and firing, conditions of the employment and *employee training* and motivation” (emphasis added). In the 1998 Release, the Commission acknowledged that some limited categories of employment-related proposals may raise significant social policy issues, but stated that “*management of the workforce*, such as the hiring, promotion, and termination of employees” (emphasis added) encompasses “tasks . . . so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” As discussed above, the Proposals’ request reports on “working conditions and treatment that [Company] warehouse workers face” and on workplace policies and practices related to performance metrics, supervision and monitoring of workers,

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and implications for employees' health, safety, and turnover. Each of the Supporting Statements specifically references productivity quotas, employee turnover rates, unionization efforts, employee monitoring and supervision, and workplace conditions, which are core and complicated aspects of managing large, global operations on a day-to-day basis.

Consistent with the Commission's statement in the 1998 Release and the Staff's statement in *United Technologies Corp.* categorizing proposals that address "management of the workforce" as relating to a company's "ordinary business" operations, the Staff has recognized that a wide variety of proposals pertaining to management of a company's workforce are excludable under Rule 14a-8(i)(7). For example, in *Yum! Brands, Inc.* (avail. Mar. 6, 2019), the Staff concurred with the exclusion of a proposal relating to adopting a policy not to "engage in any Inequitable Employment Practice," noting it related "generally to the [c]ompany's policies concerning its employees and does not focus on an issue that transcends ordinary business matters." See also *Walmart, Inc.* (avail. Apr. 8, 2019) (concurring with the exclusion of a proposal that requested that the board evaluate the risk of discrimination that may result from [the company's] policies and practices of hourly workers taking absences from work for personal or family illness, as relating to "management of [the company's] workforce"); *Starwood Hotels & Resorts Worldwide, Inc.* (avail. Feb. 14, 2012) (concurring with the exclusion of a proposal requesting verification and documentation of U.S. citizenship for the company's U.S. workforce and requiring training for foreign workers in the U.S. to be minimized because it "relates to procedures for hiring and training employees" and "[p]roposals concerning a company's management of its workforce are generally excludable under [R]ule 14a-8(i)(7)"); *Northrop Grumman Corp.* (avail. Mar. 18, 2010) (concurring with the exclusion of a proposal requesting that the board identify and modify procedures to improve the visibility of educational status in the company's reduction-in-force review process, noting that "[p]roposals concerning a company's management of its workforce are generally excludable under [R]ule 14a-8(i)(7)"); *Donaldson Company, Inc.* (avail. Sept. 13, 2006) (concurring with the exclusion of a proposal requesting the board of directors to oversee company procedures to "assure appropriate ethical standards related to employee relations are adhered to"); *Intel Corp.* (avail. Mar. 18, 1999) (concurring with the exclusion of a proposal seeking adoption of an "Employee Bill of Rights," which would have established various "protections" for the company's employees, including limited work-hour requirements, relaxed starting times, and a requirement that employees treat one another with dignity and respect, noting that the foregoing was excludable as relating to "management of the workforce"); *W.R. Grace & Co.* (avail. Feb. 29, 1996) (concurring with the exclusion of a proposal regarding the creation of a "high performance workplace based on policies of workplace democracy and meaningful worker participation").

Like the foregoing precedents, the Proposals are concerned with the Company's management of its workforce, insofar as they both seek a report relating to the Company's working conditions and the Supporting Statements refer to multiple aspects of workforce management. The Tazehozhi Proposal specifically requests that the report cover "working

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conditions and treatment . . . including the impact of [the Company's] policies, management, performance metrics, and targets,” and the Domini Proposal similarly requests a report evaluating “productivity quotas, surveillance practices, and the effects of these practices on injury rates and turnover.” These elements implicate multifaceted, complex decisions around employee monitoring and supervision, performance management, and employee retention, and, therefore, the Proposals are excludable under Rule 14a-8(i)(7) as relating to the Company's management of its workforce.

D. The Proposals Do Not Focus On A Significant Social Policy Issue That Transcends The Company's Ordinary Business Operations.

In the 1998 Release, the Commission reaffirmed the standards for when proposals are excludable under the “ordinary business” provision that the Commission had initially articulated in Exchange Act Release No. 12999 (Nov. 22, 1976) (the “1976 Release”). In the 1998 Release, the Commission also distinguished proposals pertaining to ordinary business matters that are excludable under Rule 14a-8(i)(7) from those that “focus on” significant social policy issues. The Commission stated, “proposals relating to [ordinary business] matters but focusing on sufficiently significant social policy issues (e.g., significant discrimination matters) generally would not be considered to be excludable, because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” 1998 Release.

In contrast, as Staff precedent has established, referencing aspects of a topic that might include significant social policy issues, but which do not define the scope of actions addressed in a proposal and do not limit the principal focus of a proposal, does not transform an otherwise ordinary business proposal into one that transcends ordinary business. For example, the proposal in *Union Pacific Corp.* (avail. Feb. 25, 2008), similar to the Proposals, addressed safety concerns in the course of the company's operations. The proposal requested disclosures of the company's efforts to safeguard the company's operations from terrorist attacks and “other homeland security incidents.” The company argued that the proposal was excludable because the proposal related to the company's day-to-day efforts to safeguard its operations—including not only terrorist attacks, but also earthquakes, floods, and other routine operating risks that were overseen by the Department of Homeland Security but were incident to the company's ordinary business operations. The Staff's response noted that the proposal was excludable because it included matters relating to the company's ordinary business operations despite the fact that safeguarding against terrorist attacks might be viewed as not part of the company's ordinary business. *See also PetSmart, Inc.* (avail. Mar. 24, 2011) (concurring with the exclusion of a proposal requesting that the board require suppliers to certify that they had not violated animal cruelty-related laws, finding that while animal cruelty is a significant social policy issue, the scope of laws covered by the proposals was too broad); *Apache Corp.* (avail. Mar. 5, 2008) (concurring with the exclusion of a proposal requesting the implementation of equal employment opportunity policies based on

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certain principles and noting that “some of the principles relate to [the company’s] ordinary business operations”); *General Electric Co.* (avail. Feb. 10, 2000) (concurring with the exclusion of a proposal relating to the accounting and use of funds for the company’s executive compensation program because it both touched upon the significant social policy issue of senior executive compensation, and involved the ordinary business matter of choice of accounting method).

Here, the Proposals’ broad application to “working conditions and treatment” and “workplace safety and surveillance” encompasses matters incident to the Company’s (and many other businesses’) ordinary business operations, ranging from employee injury and illness (including matters of simple first-aid), to matters related to employee monitoring and supervision, employee policies and practices (including those related to productivity and performance), general employee relations, and other matters related to the Company’s management of its workforce. The fact that the Supporting Statements cite a number of workplace safety concerns does not make workplace safety unique or transcendent, as the supporting statements in both *Amazon.com* and *Pilgrim’s Pride* cited unfortunate past workplace incidents. The Company acknowledges that workplace injuries can be very serious and agrees that workplace safety issues are important. However, nothing about the Proposals, which refer broadly to addressing the Company’s “working conditions” and safety issues across the Company’s facilities, raises them beyond the day-to-day safety management issues that are incident to the Company’s ordinary business operations.

The Company is aware that the Staff has been unable to concur with the exclusion of workforce management and safety proposals under Rule 14a-8(i)(7) where the proposal requested review of health and safety measures taken in connection with the COVID-19 pandemic. For example, in *Walmart Inc.* (avail. Feb. 19, 2021), the proposal requested that the company create a “Pandemic Workforce Advisory Council” to advise the board of directors on “pandemic-related workforce issues, including health and safety measures, whistleblower protection, and paid sick leave,” and gave the company “discretion to disband the Council when no pandemic has been declared.” Here, the Proposals are distinguishable because, rather than focusing specifically on public health implications of the COVID-19 pandemic as they relate to the workplace, the Proposals focus on the Company’s general policies and practices related to workforce health and safety more broadly. Unlike in *Walmart*, where the proposal specifically requested review of “pandemic-related workforce issues” and the supporting statement focused almost exclusively on various concerns stemming from the pandemic, the Proposals request a broad review of the Company’s policies and practices related to working conditions and worker health and safety and only make references to the COVID-19 pandemic in passing in the Supporting Statements (the pandemic is mentioned only once in the Tazehoji Supporting Statement and twice in the Domini Supporting Statement).

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In Staff Legal Bulletin No. 14L (Nov. 3, 2021), the Staff stated that it “will realign its approach for determining whether a proposal relates to ‘ordinary business’ with the standard the Commission initially articulated in [the 1976 Release] . . . and which the Commission subsequently reaffirmed in the 1998 Release.” As such, the Staff stated that it will focus on the issue that is the subject of the shareholder proposal and determine whether it has “a broad societal impact, such that [it] transcend[s] the ordinary business of the company.” The Staff noted further that “proposals squarely raising human capital management issues with a broad societal impact would not be subject to exclusion solely because the proponent did not demonstrate that the human capital management issue was significant to the company” (citing to the 1998 Release and *Dollar General Corp.* (avail. Mar. 6, 2020) and providing “significant discrimination matters” as an example of an issue that transcends ordinary business matters).

This guidance does not affect the excludability of the Proposals because, unlike *Dollar General*, the Proposals do not focus on significant discrimination matters or any other issue “with a broad societal impact” such that it transcends ordinary business matters. Instead, the Proposals focus on Company-specific issues that the Staff has consistently determined over the years do not transcend ordinary business.⁴ See, e.g., *The Chemours Co.* (avail. Jan. 17, 2017) (concurring with the exclusion of a proposal requesting a report “on the steps the [c]ompany has taken to reduce the risk of accidents” with the supporting statement citing to a number of industrial accidents at the company’s facilities and significant regulatory fines that had been assessed against the company for various safety violations); *Intel Corp.* (avail. Mar. 18, 1999) (concurring with the exclusion of a proposal seeking adoption of an “Employee Bill of Rights,” which would have established various “protections” for the company’s employees, including limited work-hour requirements, relaxed starting times, and a requirement that employees treat one another with dignity and respect, noting that the foregoing was excludable as relating to “management of the workforce”). Although the Proposals and their supporting statements use emotionally charged language—such as referring to workplace safety monitoring as “surveillance”—the Staff confirmed in *United Technologies Corp.* that employee supervision is firmly a part of a company’s ordinary business and day-to-day management. The Safety Report demonstrates that many of the inflammatory allegations recited in the Supporting Statements mischaracterize the situation, or are simply not true. Thus, while the Proponents have sought to suggest that significant considerations are implicated by the Proposals, their claims do not distinguish them from the situations addressed in the precedents above. Nor do their claims alter the fact that the

⁴ We recognize that the Commission has adopted rules requiring enhanced disclosure of human capital management matters, and that Chair Gensler has identified retention and turnover as possible topics for further disclosure requirements. However, the Commission’s disclosure rules have never been a measurement of whether a topic implicates a significant social policy issue. For example, Item 103 of Regulation S-K requires disclosure of material legal proceedings, and yet management of legal proceedings has long been an ordinary business issue that does not implicate significant social policy issues.

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Proposals are broadly addressed at assessing wide-ranging aspects of the Company's ordinary business operations, with the Tazehozi Proposal encompassing working conditions and the general "treatment" of workers, and the Domini Proposal looking at performance expectations and supervision practices across the Company's operations. Accordingly, consistent with the precedent cited above, because the Proposal relates to ordinary business matters—workplace safety and management of the Company's workforce—and does not focus on a significant social policy issue, the Proposal may be excluded under Rule 14a-8(i)(7).

II. Alternatively, The Domini Proposal May Be Excluded Under Rule 14a-8(i)(11) Because It Substantially Duplicates An Earlier Submitted Proposal.

As discussed above, the Domini Proposal substantially duplicates the Tazehozi Proposal, since both Proposals seek a review of the Company's policies and practices related to its employee working conditions and safety. The Tazehozi Proposal requests "that the Board of Directors commission an independent audit and report of the working conditions and treatment that Amazon warehouse workers face, including the impact of its policies, management, performance metrics, and targets." The Domini Proposal requests "that the Board of Directors commission an independent third-party audit on workplace health and safety, evaluating: productivity quotas, surveillance practices, and the effects of these practices on injury rates and turnover" and issue a report on the audit. As discussed below, both of the Proposals share the same core concern: they both ask the Company to report on impacts of the Company's policies and practices related to working conditions and safety. The Company received the Tazehozi Proposal on December 2, 2021, which is before December 10, 2021, when the Company received the Domini Proposal. If the Staff does not concur with the Company's request for exclusion of the Proposals under Rule 14a-8(i)(7), the Company expects to include the Tazehozi Proposal in the 2022 Proxy Materials.

A. The "Substantially Duplicates" Standard.

Rule 14a-8(i)(11) provides that a shareholder proposal may be excluded if it "substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting." The Commission has stated that "the purpose of [Rule 14a-8(i)(11)] is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other." 1976 Release. When two substantially duplicative proposals are received by a company, the Staff has indicated that the company must include the first of the proposals it received in its proxy materials, unless that proposal otherwise may be excluded. *See, e.g., Great Lakes Chemical Corp.* (avail. Mar. 2, 1998); *Pacific Gas and Electric Co.* (avail. Jan. 6, 1994).

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A later proposal may be excluded as substantially duplicative of an earlier proposal despite differences in terms or breadth and despite the proposals requesting different actions. *See, e.g., Exxon Mobil Corp.* (avail. Mar. 13, 2020) (concurring with the exclusion of a proposal as substantially duplicative where the Staff explained that “the two proposals share a concern for seeking additional transparency from the [c]ompany about its lobbying activities and how these activities align with the [c]ompany’s expressed policy positions” despite the proposals requesting different actions); *Exxon Mobil Corp.* (avail. Mar. 9, 2017) (concurring with the exclusion of a proposal requesting a report on the company’s political contributions as substantially duplicative of a proposal requesting a report on lobbying expenditures); *Wells Fargo & Co.* (avail. Feb. 8, 2011) (concurring with the exclusion of a proposal seeking a review and report on the company’s loan modifications, foreclosures, and securitizations as substantially duplicative of a proposal seeking a report that would include “home preservation rates” and “loss mitigation outcomes,” which would not necessarily be covered by the other proposal); *Chevron Corp.* (avail. Mar. 23, 2009, *recon. denied* Apr. 6, 2009) (concurring with the exclusion of a proposal requesting that an independent committee prepare a report on the environmental damage that would result from the company’s expanding oil sands operations in the Canadian boreal forest as substantially duplicative of a proposal to adopt goals for reducing total greenhouse gas emissions from the company’s products and operations); *Ford Motor Co. (Leeds)* (avail. Mar. 3, 2008) (concurring with the exclusion of a proposal to establish an independent committee to prevent founding family shareholder conflicts of interest with non-family shareholders as substantially duplicative of a proposal requesting that the board take steps to adopt a recapitalization plan for all of the company’s outstanding stock to have one vote per share). The Staff has traditionally referred to Rule 14a-8(i)(11)’s substantial duplication standard as assessing whether the later proposal presents the same “principal thrust” or “principal focus” as a previously submitted proposal, *see Pacific Gas & Electric Co.* (avail. Feb. 1, 1993), or the same core concern.

B. The Domini Proposal Substantially Duplicates The Tazehozi Proposal.

Although phrased differently, the core concern and principal focus of the Proposals is the same: an audit and report on impacts of the Company’s policies and practices related to working conditions and safety. The overlap between the Proposals is further demonstrated by the similar concerns addressed in the Supporting Statements:

<i>The Tazehozi Proposal</i>	<i>The Domini Proposal</i>
<i>Both Proposals ask for Board oversight of the requested review and report.</i>	
“Shareholders of Amazon.com, Inc. (‘Amazon’) request that the Board of Directors commission an independent audit and report”	“Shareholders of Amazon.com request that the Board of Directors commission an independent third-party audit A report on the audit, prepared at reasonable cost and

	omitting confidential and proprietary information, should be publicly disclosed on Amazon’s website.”
<i>The Proposals both ask for an assessment and report on working conditions and workplace safety.</i>	
“[C]ommission an independent audit and report of the working conditions and treatment that Amazon warehouse workers face . . .”	“[C]ommission an independent third-party audit on workplace health and safety . . .”
<i>The Proposals both call out certain specified practices to be reviewed.</i>	
“. . . report . . . including the impact of [the Company’s] policies, management, performance metrics, and targets.”	“. . . evaluating: productivity quotas, surveillance practices, and the effects of these practices on injury rates and turnover.”
<i>Both Supporting Statements make allegations regarding the Company’s injury rates.</i>	
“Investigative reports suggest a ‘mounting injury crisis at Amazon warehouses,’ with Amazon warehouse employees getting injured more frequently and more severely than elsewhere in the industry.”	“Numerous studies have found similar trends at Amazon, including: . . . Injuries at Amazon facilities were more severe than those at other warehouses.”
“For the year 2020 . . . Amazon’s serious injury rate was nearly 80% higher than the wider warehouse industry.”	“In 2020 the serious injury rate at Amazon warehouses was nearly 80% higher than the warehouse industry average.”
<i>Both Supporting Statements express concerns about employee turnover and labor costs.</i>	
“Amazon’s turnover rate before the pandemic was roughly 150 percent a year . . . High turnover can lead to increased costs for the hiring and training of replacement workers.”	“. . . the high employee turnover rate (recently estimated at 150%). While Amazon plans to incur several billion dollars of additional costs in response to its labor shortage, practices that contribute to high turnover continue . . .”
<i>Both Supporting Statements express concerns about the effects of performance monitoring and supervision of employees.</i>	

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“. . . a direct connection between Amazon’s employee monitoring and discipline systems and workplace [musculoskeletal disorders].”	“. . . productivity quotas and worker surveillance that result in above-average injury rates.”
“. . . [workers] had to break safety rules to keep up with their mandated quotas and pace of work out of fear of losing their jobs.”	“Surveyed Amazon workers cited constant surveillance as a cause of stress, anxiety, and depression.”
<i>Both Supporting Statements cite union organizing efforts.</i>	
“In response to warehouse workers’ recent organization efforts and unionization votes . . .”	“Workers and labor unions cite the above as motivating factors for organizing efforts at Amazon . . .”

The Staff has consistently concurred that two proposals can be substantially similar within the meaning of Rule 14a-8(i)(11) notwithstanding differences in the wording or scope of actions requested. For example, in *Cooper Industries, Ltd.* (avail. Jan. 17, 2006), the Staff concurred with the exclusion under Rule 14a-8(i)(11) of a proposal requesting that the company “review its policies related to human rights to assess areas where the company needs to adopt and implement additional policies and to report its findings” as substantially duplicating a previously submitted proposal requesting that the company “commit itself to the implementation of a code of conduct based on . . . ILO human rights standards and United Nations’ Norms on the Responsibilities of Transnational Corporations with Regard to Human Rights.” See also, e.g., *Caterpillar Inc. (AFSCME Employees Pension Plan)* (avail. Mar. 25, 2013) (concurring with the exclusion of a proposal requesting a report as substantially duplicative of a proposal that the company “review and amend, where applicable,” certain policies and post a summary of the review on the company’s website, despite the addition of an additional action in connection with the requested report); *Ford Motor Co.* (avail. Feb. 19, 2004) (concurring with the exclusion of a proposal calling for internal goals related to greenhouse gases as substantially duplicative of a proposal calling for a report on historical data on greenhouse gas emissions and the company’s planned response to regulatory scenarios, where the company successfully argued that “[a]lthough the terms and the breadth of the two proposals are somewhat different, the principal thrust and focus are substantially the same, namely to encourage the [c]ompany to adopt policies that reduce greenhouse gas emissions in order to enhance competitiveness”).

Here, notwithstanding some differences in the terminology and scope of their requests, both Proposals share the same core concern. Both request an audit and report on the Company’s policies and practices related to working conditions and worker safety, including aspects of employee supervision and performance metrics and targets, and both Proposals cite concerns

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about injury rates, employee turnover, and unionization. The fact that the Domini Proposal further requests that the Board's commissioned audit address input from relevant stakeholders, state legislation, regulators, and press coverage, a request not made in the Tazehozi Proposal, does not change this result. Further, the possibility that the Tazehozi Proposal subsumes the Domini Proposal by requesting a report on "working conditions," which may be interpreted as broader in scope than, but encompassing, the subject matter of the Domini Proposal that requests a report on "workplace health and safety," does not change the fact that both Proposals address the same core concern and have the same principal focus, and thus the Domini Proposal substantially duplicates the Tazehozi Proposal under Rule 14a-8(i)(11).

This follows longstanding Staff precedent that multiple proposals may be substantially duplicative notwithstanding differences in breadth and scope. *See, e.g., Chevron Corp. (Benta B.V.)* (avail. Mar. 30, 2021) (concurring with the exclusion of a later proposal requesting the company to "devis[e] a method to set emission reduction targets" as substantially duplicative of an earlier proposal, requesting a report addressing how certain Scope 3 emissions will be addressed to "meet [the Company's] post-2050 Paris Accord carbon emission reduction goals"); *General Electric Co.* (avail. Jan. 17, 2013, *recon. denied* Feb. 27, 2013) (concurring with the exclusion of a later proposal requesting executive compensation be limited to "a competitive base salary, an annual bonus of not more than fifty per cent of base salary, and competitive retirement benefits" as substantially duplicative of an earlier proposal requesting the "cessation of all Executive Stock Option Programs[] and Bonus Programs," despite the proponent's assertion that the later proposal was "more broad and inclusive"); *General Motors Corp.* (avail. Mar. 13, 2008) (concurring with the exclusion of a proposal requesting a report on the steps that the company was taking to meet new fuel economy and greenhouse gas emission standards as substantially duplicative of a proposal requesting that the company "publicly adopt quantitative goals" for reducing total greenhouse gas emissions from the company's products and operations and report on the same); *Ford Motor Co.* (avail. Feb. 29, 2008) (same); *Lehman Brothers Holdings, Inc.* (avail. Jan. 12, 2007) (concurring with the exclusion of a later proposal where an earlier proposal requested a report on contributions "in respect of a political campaign, political party, referendum or citizens['] initiative, or attempts to influence legislation" and a later "much more comprehensive" proposal sought not only the same information but also additional disclosures regarding "contributions to or expenditures on behalf of independent political committees . . . and amounts paid to entities such as trade associations that are used for political purposes"); *Bank of America Corp. (AFL-CIO Reserve Fund)* (avail. Feb. 14, 2006) (concurring with the exclusion of a proposal as substantially duplicative of a prior political contributions proposal despite the proponent's assertion that the subsequent proposal was "much broader in scope" and "would capture a much wider array of political contributions than the [prior] [p]roposal"); *Abbott Laboratories* (avail. Feb. 4, 2004) (concurring with the exclusion of a proposal requesting limitations on various types of executive compensation as

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substantially duplicative of a prior proposal requesting a prohibition on only one of the items covered by the later proposal—future grants of stock options).

As noted above, the purpose of Rule 14a-8(i)(11) “is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other.” 1976 Release. Because the Domini Proposal substantially duplicates the Tazehozi Proposal, the Company’s shareholders should not be required to twice consider whether the Company should issue a report that addresses working conditions and workplace safety and that focuses on certain workforce management practices and employee turnover. In addition, if the voting outcome on the two proposals differed, the shareholder vote would not provide guidance on what actions shareholders want the Company to pursue, given that the same actions would be necessary to implement either proposal. The variations in wording do not change the conclusion that the Domini Proposal would have its key focus addressed through implementation of, and shares the same core concern and principal focus as, the Tazehozi Proposal. Accordingly, if the Staff does not concur with exclusion of the Proposals pursuant to Rule 14a-8(i)(7), the Company believes that the Domini Proposal may be excluded pursuant to Rule 14a-8(i)(11) as substantially duplicative of the Tazehozi Proposal.

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposals from its 2022 Proxy Materials, and we respectfully request that the Staff concur that the Proposals may be excluded under Rule 14a-8.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671, or Mark Hoffman, the Company’s Vice President & Associate General Counsel, Corporate and Securities, and Legal Operations, and Assistant Secretary, at (206) 266-2132.

Sincerely,



Ronald O. Mueller

Enclosures

cc: Mark Hoffman, Amazon.com, Inc.
Antoine Argouges, Tulipshare Ltd.
Thomas Dadashi Tazehozi
Mary Beth Gallagher, Domini Impact Investments LLC

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Richard Clayton, SOC Investment Group
Kelly Hirsch, Vancity Investment Management
Daphne van den Hazel, Achmea Investment Management B.V.
Sister Ruth Ksycki, OSB, Sisters of the Order of St. Benedict, Rock Island, IL
Bård Bringedal, Storebrand Asset Management

EXHIBIT A

Via UPS

Tulipshare Ltd.
[REDACTED]
[REDACTED]

RECEIVED

DEC 02 2021

AMAZON.COM, INC.
LEGAL DEPARTMENT

Amazon.com, Inc.
Office of the Corporate Secretary
410 Terry Avenue North
Seattle, Washington 98109
Attn: Corporate Secretary

December 1, 2021

Re: Shareholder proposal for 2022 Annual Shareholder Meeting

Dear Corporate Secretary,

Tulipshare Limited ("Tulipshare") is filing a shareholder proposal on behalf of Thomas Dadashi Tazehozi ("Proponent"), a shareholder of Amazon.com, Inc. ("Amazon"), for action at the next annual meeting of Amazon. The Proponent submits the enclosed shareholder proposal for inclusion in Amazon's 2022 proxy statement, for consideration by shareholders, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

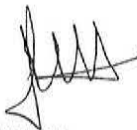
The Proponent has continuously beneficially owned, for at least one year as of the date hereof, at least \$25,000 worth of Amazon's common stock. Verification of this ownership will be sent under separate cover. The Proponent intends to continue to hold such shares through the date of Amazon's 2022 annual meeting of shareholders.

A letter from the Proponent authorizing Tulipshare to act on his behalf is enclosed. A representative of the Proponent will attend the stockholders' meeting to move the resolution as required.

The Proponent is available to meet with Amazon via teleconference between the hours of 9am-10am PST on December 20, 2021. The Proponent may be contacted at [REDACTED]

We are available to discuss this issue and appreciate the opportunity to engage and seek to resolve the Proponent's concerns. We may be contacted by email at [REDACTED] to schedule a meeting and to address any questions. Please send any future correspondence regarding the proposal to this address.

Sincerely,



Antoine Argouges
Tulipshare Ltd., CEO

Encl: Authorization letter

Thomas Dadashi Tazehozi

Amazon.com, Inc.
Office of the Corporate Secretary
410 Terry Avenue North
Seattle, Washington 98109
Attn: Corporate Secretary

December 1, 2021

Dear Corporate Secretary at Amazon.com, Inc.,

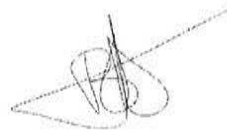
I hereby authorize Tulipshare Ltd. to file a shareholder resolution on my behalf for the Amazon.com, Inc. ("Amazon") 2022 annual shareholder meeting. The specific topic of the proposal is requesting that Amazon commission an independent audit and report of the working conditions and treatment that Amazon warehouse workers face, including the impact of its policies, management, performance metrics, and targets.

I support this proposal and specifically give Tulipshare Ltd. full authority to engage with Amazon on my behalf regarding the proposal and the underlying issues, and to negotiate a withdrawal of the proposal to the extent Tulipshare Ltd. views Amazon's actions as responsive.

I understand that I may be identified on Amazon's proxy statement as the filer of the aforementioned resolution.

As of the date of this letter, I own 13 shares of Amazon common stock; a letter evidencing my ownership is forthcoming. Additionally, I will notify Amazon in writing within five (5) business days after the record date for the 2022 annual shareholder meeting of the class and number of shares of stock of Amazon that I held as of the record date for the 2022 annual shareholder meeting.

Very truly yours,



Thomas Dadashi Tazehozi

Shareholder Proposal

RESOLVED: Shareholders of Amazon.com, Inc. (“Amazon”) request that the Board of Directors commission an independent audit and report of the working conditions and treatment that Amazon warehouse workers face, including the impact of its policies, management, performance metrics, and targets. This audit and report should be prepared at reasonable cost and omit proprietary information.

Supporting Statement

Amazon is now the second largest employer in the United States, and most of its employees work in warehouse fulfillment centers. While Amazon strives to be “Earth’s Best Employer” and “Earth’s Safest Place to Work,”¹ there have been multiple publicized reports of its warehouse employees being subjugated to unsafe working conditions and unfair treatment.

In May 2021, the Division of Occupational Safety and Health of the State of Washington’s Department of Labor and Industries (the “Division”) found that Amazon “did not provide employees with a workplace free from recognized hazards that are causing or likely to cause serious injury.”² During its inspection of Amazon’s BFI3 warehouse in Dupont, Washington, it found that Amazon warehouse employees were required to perform manual tasks which caused, and are likely to continue to cause, musculoskeletal disorders (“MSDs”).³ The Division reported that Amazon pressures its workers to maintain a very high pace of work without adequate recovery time to reduce the risk of injury.⁴ Further, the Division found “a direct connection between Amazon’s employee monitoring and discipline systems and workplace MSDs.”⁵

Indeed, former warehouse workers have said that while Amazon does instruct workers on safety, they had to break safety rules to keep up with their mandated quotas and pace of work out of fear of losing their jobs.⁶

Investigative reports suggest a “mounting injury crisis at Amazon warehouses,” with Amazon warehouse employees getting injured more frequently and more severely than elsewhere in the industry.⁷ For the year 2020, it was reported that Amazon’s injury rate was more than twice as high as that of Walmart warehouse workers and that Amazon’s serious injury rate was nearly 80% higher than the wider warehouse industry.⁸

¹ <https://www.aboutamazon.com/about-us>

² <https://s3.documentcloud.org/documents/20787752/amazon-dupont-citation-and-notice-may-2021.pdf>

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ <https://www.theatlantic.com/technology/archive/2019/11/amazon-warehouse-reports-show-worker-injuries/602530/>

⁷ <https://www.seattletimes.com/business/amazons-dupont-washington-warehouse-has-highest-injury-rates-of-any-fulfillment-center-in-the-u-s-report-shows/>

⁸ <https://www.forbes.com/sites/niallmccarthy/2021/06/08/amazon-warehouse-injuries-significantly-higher-than-competitors-infographic/?sh=45fc34436854>

Concerningly, Amazon's turnover rate before the pandemic was roughly 150 percent a year, a rate that is almost double that of the retail and logistics industries.⁹ High turnover can lead to increased costs for the hiring and training of replacement workers.¹⁰

In response to warehouse workers' recent organization efforts and unionization votes, former Chairman Jeff Bezos admitted that Amazon needs "to do a better job" for its employees.¹¹ As Amazon shareholders, we agree, which is why we are calling for an independent audit and report of the working conditions and treatment that Amazon warehouse workers face.

⁹ <https://www.nytimes.com/interactive/2021/06/15/us/amazon-workers.html>

¹⁰ <https://builtin.com/recruiting/cost-of-turnover>

¹¹ https://www.aboutamazon.com/news/company-news/2020-letter-to-shareholders?utm_source=social&utm_medium=tw&utm_term=amznnews&utm_content=2020shareholderletter&linkId=116261313

EXHIBIT B



December 10, 2021

Via Fedex and Email (markhoff@amazon.com)

Amazon.com
410 Terry Avenue North
Seattle, Washington 98109

Re: Shareholder proposal for 2022 Annual Shareholder Meeting

Dear Corporate Secretary:

I am writing to you on behalf of the Domini Impact Equity Fund (“the Fund”), a long-term Amazon.com shareholder. The attached shareholder proposal is submitted for inclusion in the next proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. The Fund is the lead filer for the Proposal and we may have additional co-filers.

As of December 10, 2021, the Fund beneficially owned, and had beneficially owned continuously for at least one year, shares of Amazon.com common stock worth at least \$25,000. The Fund will maintain ownership of the required number of shares through the date of the next stockholders’ annual meeting.

The Fund welcomes the opportunity to discuss this proposal with the Company. We are available to meet with the Company on December 21st between 12:00 – 2:00 EST, December 22ndth between 3:00 – 5:00 EST or December 29th at 1:00 EST. I can be reached at [REDACTED] or at [REDACTED] to schedule a meeting.

A letter verifying our ownership of shares from our portfolio’s custodian is enclosed. A representative of the filers will attend the stockholders' meeting to move the resolution as required by SEC Rules.

Domini[®]

We strongly believe the attached proposal is in the best interests of our company and its shareholders and welcome the opportunity to discuss the issues raised by the proposal with you.

Sincerely,

A handwritten signature in black ink that reads "Mary Beth Gallagher". The signature is written in a cursive, flowing style.

Mary Beth Gallagher
Director of Engagement
Domini Impact Investments LLC

Encl.

Resolved

Shareholders of Amazon.com request that the Board of Directors commission an independent third-party audit on workplace health and safety, evaluating:

- productivity quotas,
- surveillance practices, and
- the effects of these practices on injury rates and turnover.

The audit should be conducted with input from employees, experts in workplace safety and surveillance, and other relevant stakeholders; informed by recent state legislation;¹ and address regulatory inquiry,² and media coverage.³ A report on the audit, prepared at reasonable cost and omitting confidential and proprietary information, should be publicly disclosed on Amazon's website.

Supporting Statement

The recent pandemic has brought increased media and congressional scrutiny to the well-being of Amazon's essential workers.⁴ This scrutiny has extended to workplace conditions, safety, and the high employee turnover rate (recently estimated at 150%).⁵ While Amazon plans to incur several billion dollars of additional costs in response to its labor shortage, practices that contribute to high turnover continue: productivity quotas and worker surveillance that result in above-average injury rates.⁶ Numerous studies have found similar trends at Amazon, including:

- In 2020 the serious injury rate at Amazon warehouses was nearly 80% higher than the warehouse industry average.⁷
- Injuries at Amazon facilities were more severe than those at other warehouses.⁸
- A recent case study found the equivalent of 1 in 9 workers at Amazon facilities was injured each year.⁹
- Injury rates at Amazon warehouses increased during peak season.¹⁰

¹ <https://www.npr.org/2021/09/08/1034776936/amazon-warehouse-workers-speed-quotas-california-bill>; <https://inthesetimes.com/article/at-will-just-cause-employment-union-labor-illinois>; <https://www.bostonglobe.com/2021/10/07/opinion/massachusetts-has-chance-clean-up-our-national-privacy-disaster/>

² <https://www.seattletimes.com/business/because-of-injury-claims-state-wants-amazons-automated-warehouses-to-pay-higher-workers-comp-premiums-than-meatpacking-or-logging-operations/>

³ <https://www.washingtonpost.com/technology/2021/06/01/amazon-osa-injury-rate/>

⁴ <https://www.nytimes.com/2021/12/01/podcasts/the-daily/amazon-pandemic-labor-shortage.html>

⁵ <https://www.nytimes.com/interactive/2021/06/15/us/amazon-workers.html>

⁶ <https://ir.aboutamazon.com/news-release/news-release-details/2021/Amazon.com-Announces-Third-Quarter-Results/default.aspx>

⁷ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>

⁸ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>

⁹ <https://s27147.pcdn.co/wp-content/uploads/Report-Injuries-Dead-End-Jobs-and-Racial-Inequity-in-Amazons-Minnesota-Operations-.pdf>

¹⁰ <https://revealnews.org/article/how-amazon-hid-its-safety-crisis>

- Amazon facilities with greater automated technology had above-average injury rates.¹¹
- Surveyed Amazon workers cited constant surveillance as a cause of stress, anxiety, and depression.¹²
- Amazon temporarily suspended some productivity metrics in 2020, in response to the pandemic. That year saw the first decline in Amazon’s injury rate in years.¹³

Workers and labor unions cite the above as motivating factors for organizing efforts at Amazon, and these concerns have brought significant scrutiny upon the company, including:¹⁴

- 15 U.S. Senators signed a letter calling on Amazon to address workplace health and safety issues linked to productivity rates.¹⁵
- Public health organizations and over 200 public health practitioners called on Amazon to suspend productivity quotas and workplace surveillance.¹⁶
- Washington state raised Amazon’s worker compensation premium rates by 15% and proposed placing fulfillment centers in their own risk class.¹⁷
- California passed a state bill regulating warehouse performance metrics.¹⁸

As Amazon strives to be “the Earth’s Safest Place to Work,”¹⁹ a review is needed of the practices that have made the company a leader in workplace injuries and a target for criticism and regulation. With surveillance and productivity quotas linked to high injury rates, we urge Amazon to commission an independent audit of these practices to understand their impact on the company’s employees and operations, and inform changes in practices that mitigate and prevent future harm.

¹¹ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>

¹² <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>

¹³ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>

¹⁴ <https://www.forbes.com/sites/laurendebter/2021/04/01/how-alabama-union-fight-could-change-amazon/>

¹⁵ <https://s3.documentcloud.org/documents/6772867/AmazonWorkerSafetyLetterFeb72020.pdf>

¹⁶ <https://humanimpact.org/wp-content/uploads/2021/11/Public-Health-Letter-to-Amazon-11-17-21.pdf>

¹⁷ <https://www.seattletimes.com/business/because-of-injury-claims-state-wants-amazons-automated-warehouses-to-pay-higher-workers-comp-premiums-than-meatpacking-or-logging-operations/>

¹⁸ <https://www.latimes.com/business/story/2021-09-08/california-bill-ab701-passes-senate-warehouse-work-metrics-algorithms-regulation>

¹⁹ https://s2.q4cdn.com/299287126/files/doc_financials/2021/ar/Amazon-2020-Annual-Report.pdf

SANFORD J. LEWIS, ATTORNEY

PO Box 231
Amherst, MA 01004-0231
413 549-7333
sanfordlewis@strategiccounsel.net

February 28, 2022

VIA ELECTRONIC MAIL (shareholderproposals@sec.gov)

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

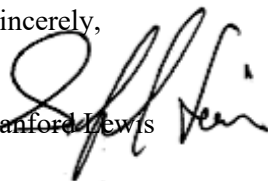
Re: Shareholder Proposal to Amazon.com Regarding an Independent Audit and Report on the Working Conditions and Treatment of Warehouse Workers on Behalf of Thomas Dadashi Tazehozi

Ladies and Gentlemen:

Thomas Dadashi Tazehozi (the “Proponent”) is beneficial owner of common stock of Amazon.com, Inc. (“Amazon” or the “Company”) and Tulipshare Limited (“Tulipshare”) has submitted a shareholder proposal (the “Proposal”) on his behalf to the Company. I have been asked by the Proponent to respond to the letter dated January 24, 2022 (“Company Letter”) sent to the Securities and Exchange Commission by Ronald Mueller. In that letter, the Company contends that the Proposal may be excluded from the Company’s 2022 proxy statement. A copy of this letter is being emailed concurrently to Ronald Mueller.

The Proposal for an independent review of Amazon’s treatment of its warehouse workers addresses a significant policy issue that transcends ordinary business. The attached materials demonstrate that the Company has provided no basis for the conclusion that the Proposal is excludable from the 2022 proxy statement pursuant to Rule 14a-8. As such, we respectfully request that the Staff inform the Company that it is denying the no action letter request. If you have any questions, please contact me at 413 549-7333 or sanfordlewis@strategiccounsel.net.

Sincerely,


Sanford Lewis

**Response to No Action Request of Amazon.com
On behalf of Thomas Dadashi Tazehozi**

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SUMMARY

The Proposal (appended to this letter) requests that the Board of Directors of Amazon.com commission an independent audit and report of the working conditions and treatment that Amazon warehouse workers face, including the impact of its policies, management, performance metrics, and targets.

The Company Letter asserts that the Proposal is excludable under Rule 14a-8(i)(7) as relating to the Company's ordinary business, arguing that it merely relates to workforce management or routine occupational safety and issues. However, Amazon's working conditions and treatment of warehouse workers represents a human rights and human capital management issue with substantial impact on society, and as such it transcends ordinary business.

The levels of scale and innovation of the Company demonstrate that this is an issue with societal impact. As the second largest employer in the US economy, and as an innovator in workforce management strategies, how the Company treats its warehouse workers is not a minor or isolated company issue. The issue of warehouse worker treatment transcends ordinary business because the company has a major impact on the US workforce. It is seen as a role model among other retailers, including in its controversial technical surveillance strategies. The Proposal seeks a top-level independent audit on a social impact issue of high visibility and controversy.

Many observers have suggested that the culture or policies of the Company appear to place short-term profits above warehouse workers' well-being. Investors taking an ESG perspective considering material implications for the Company may recognize that a failure to protect the Company's enormous warehouse workforce may underlie the high level of employee turnover at the Company, and a negative impact on both the workers and the Company's long-term value. As noted in the Proposal, even before the pandemic the Company's turnover rate was 150% a year, almost double that of retail and logistics industries.

The Proposal was filed prior to the tragic warehouse tornado catastrophe, in which it was alleged that the Company management had kept workers in the warehouse in Illinois despite prior warnings and high risks posed by the warehouse location and structure. Even that incident on its own provides ample basis for shareholders to want to probe deeper on this issue of the culture and efficacy of company efforts to protect warehouse workers.

The Company has responded to heightened concerns about its treatment of warehouse workers with CEO correspondence asserting that the company strives to be "Earth's Safest Place to Work." The current Proposal offers investors a pathway to request independent verification of the progress on that aspiration. Notably, the Company has neither asserted that the Proposal micromanages, nor that it is substantially implemented. Instead, the Company has sought to hang its hat on the idea that, as a proposal that focused on issues of workforce treatment, it fails to transcend ordinary business.

The Proposal's request for an external assessment of the impact of the Company's policies and practices on treatment of workers would offer investors greater transparency into whether the Company needs to do more to reform its culture and processes to elevate the well-being of its warehouse workers. It does not direct a particular outcome other than seeking an independent assessment.

Thus, the Proposal transcends ordinary business and is not excludable under Rule 14a-8(i)(7).

LEGAL ANALYSIS

The Company Letter asserts that the Proposal addresses the ordinary business of the Company. However, when examining the Proposal against the Commission and Staff's guidance on shareholder proposals it is evident that the proposal addresses a societal impact (human rights and human capital management) that transcends the Company's ordinary business. Therefore, the Proposal is not excludable under Rule 14a-8(i)(7).

Ordinary Business according to the Commission

In 1998, the Commission issued a rulemaking release ("1998 Release") updating and interpreting the ordinary business rule, by both reiterating and clarifying past precedents. That release was the last time that the Commission discussed and explained at length the meaning of the ordinary business exclusion. The Commission summarized *two central considerations* in making ordinary business determinations – whether the proposal addresses a significant social policy issue, and whether it micromanages.

First, the Commission noted that certain tasks were generally considered so fundamental to management's ability to run a company on a day-to-day basis that they could not be subject to direct shareholder oversight (e.g., the hiring, promotion, and termination of employees, as well as decisions on retention of suppliers, and production quality and quantity). However, proposals related to such matters but *focused on sufficiently significant social policy issues* (i.e., significant discrimination matters) generally would not be excludable.

Second, proposals could be excluded to the extent that they seek to "micromanage" a company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would be unable to make an informed judgment. This concern did not, however, result in the exclusion of all proposals seeking detailed timeframes or methods.

Staff Legal Bulletin 14 L (November 3, 2021) contains important guidance regarding how to assess the significance of a policy issue and whether it transcends ordinary business:

Going forward, the staff will realign its approach for determining whether a proposal relates to "ordinary business" with the standard the Commission initially articulated in 1976, which provided an exception for certain proposals that raise significant social policy issues, and which the Commission subsequently reaffirmed in the 1998 Release. This exception is essential for preserving shareholders' right to bring important issues before other shareholders by means of the company's proxy statement, while also recognizing the board's authority over most day-to day business matters. For these reasons, staff will no longer focus on determining the nexus between a policy issue and the company, but will instead focus on **the social policy significance of the issue** that is the subject of the shareholder proposal. In making this determination, the staff will consider whether the proposal raises issues with a broad societal impact, such that they transcend the ordinary business of the company.

Under this realigned approach, proposals that the staff previously viewed as excludable because they did not appear to raise a policy issue of significance for the company may no longer be viewed as excludable under Rule 14a-8(i)(7). For example, proposals squarely **raising human capital management issues with a broad societal impact** would not be subject to exclusion solely because the proponent did not demonstrate that the human capital management issue was significant to the company.⁵

In the corresponding footnote 5 on the topic of human capital management, the bulletin goes on to note:

We note that in the 1998 Release the Commission stated: “[P]roposals relating to [workforce management] but focusing on sufficiently significant social policy issues (e.g., significant discrimination matters) generally would not be considered to be excludable, because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” Matters related to employment discrimination are but one example of the workforce management proposals that may rise to the level of transcending the company’s ordinary business operations.

The current Proposal appears to exemplify the kind of situation that the Staff anticipated in issuing the new bulletin. Although the Company Letter argues that similar proposals have been excluded in the past, the current Proposal is in line with numerous Staff precedents because it addresses an issue of significant societal impact that transcends ordinary business.

Neither issues of workforce management nor workforce health and safety are definitionally excludable as ordinary business

The Company Letter’s Rule 14a-8(i)(7) argument rests on the idea that workforce management, or matters of workplace health and safety, are by definition, a matter of ordinary business and that proposals addressing the treatment of workers are therefore excludable under Rule 14a-8(i)(7). The Company Letter notes:

The Staff recently considered this issue in the context of a similar proposal. In *Amazon.com, Inc. (International Brotherhood of Teamsters General Fund)* (avail. Apr. 1, 2020, *recon. denied* Apr. 9, 2020), the proposal requested a report on the Company’s efforts to “reduce the risk of accidents” that “describe[s] the Board’s oversight process of safety management, staffing levels, inspection and maintenance of facilities and equipment and those of the Company’s dedicated third-party contractors.” Notably, the supporting statement cited concerns about a “high speed, high stress, work.”

The Company Letter cites a litany of instances in which proposals addressing issues of worker health or safety were raised and excluded. These involved instances where the Staff chose not to see the issues involved as transcending ordinary business. In this instance the impact on society is clear and thus so is the reality that this is an appropriate request of investors.

Our review of Staff decisions demonstrates that there is no bright line rule against a proposal requesting an independent review of the type requested by the Proposal. In fact, many other general workforce-related proposals have been deemed permissible under Rule 14a-8(i)(7) as addressing significant policy issues, such as human rights, workforce diversity and racial equity. Furthermore, the recent Staff Legal Bulletin’s focus on *social impact*, and an array of other Staff decisions on human rights impact and racial equity assessments, demonstrates that it is not appropriate for the Staff to exclude the current Proposal.

The workers' right to dignity, and against maltreatment, is a human right aligned with prior nonexcludable proposals

As we will discuss further below in the second part of this letter reviewing the evidence related to Amazon.com, the Proponent believes it is clear that the issues of maltreatment of warehouse workers at Amazon transcend ordinary business. They do so because of the scale of the Company's operations, its technical leadership and innovation, and its position in the U.S. economy as a leader and pacesetter of developments in the retail sector. Issues relating to Amazon's treatment of the workers are issues of major social impact and therefore the Proposal transcends ordinary business.

Amazon is one of the most powerful transformative agents in the U.S. economy. Its societal impact and role in creating the workplace of the future through its technical innovations is clear. It is leading the way in designing the technical, surveillance and internet driven workplace of the future. It is undeniable that it is having a social impact, in part because these activities are going on in an insular context that lacks accountability, including to investors.

Thus, while the management of the workforce or healthy and safety issues might be considered ordinary business in the absence of a transcendent policy issue, in this instance, the enormous societal impact posed by the company's purported mismanagement warehouse workers transcends ordinary business.¹

A Company's treatment of its own workforce is a human rights issue. In the United Nations Universal Declaration of Human Rights, Article 23, "Everyone has the right to work, to free choice of employment, to just and favorable conditions of work ..."

¹ In *Halliburton Co.* (March 9, 2009), Staff found non-excludable under Rule 14a-8(i)(7) a proposal that asked the company to review its policies related to human rights to assess areas where the company needs to adopt and implement additional policies. The proposal recommended that the review include: 1) A risk assessment to determine the potential for human rights abuses in locations, such as the Middle East and other war-torn areas, where the company operates, 2) A report on the current system in place to ensure that the company's contractors and suppliers are implementing human rights policies in their operations, including monitoring, training, addressing issues of non-compliance and assurance that trafficking-related concerns have been addressed, and 3) Halliburton's strategy of engagement with internal and external stakeholders. In *Amazon.com Inc.* (March 28, 2019), the proposal requested that the board commission an independent study of the Company's Rekognition facial recognition software and service and issue a report addressing, among other things, the extent to which such technology may endanger, threaten, or violate privacy and or civil rights, the extent to which such technologies may be marketed and sold to certain foreign governments, and the financial or operational risks associated with these issues. *Apple Inc.* (December 14, 2015) requested that the board review its guidelines for selecting countries/regions for its operations and issue a report to shareholders identifying Apple's criteria for investing in, operating in and withdrawing from high-risk regions. *Northrop Grumman* (March 13, 2020) requested that the company publish a report on the actual and potential human rights impacts associated with high-risk products and services, including those in conflict-affected areas.

As Robert F. Kennedy Human Rights² has noted: “The fundamental right to dignity at work is a right of everyone, without distinction of any kind. It applies to all workers in all settings, regardless of race, religion, gender, or any other characteristic.”³

We note that numerous prior Staff decisions have treated as nonexcludable under Rule 14a-8(i)(7) requests for codes, reports and independent assessments of a company’s impact on working conditions and worker well-being in an upstream supply chain, or in its own operations, as well as general standards for the workforce. Numerous precedents of non-excludable human rights proposals focused on treatment of workers, including at the Company. In *Amazon.com, Inc.* (March 25, 2015), the proposal requested reporting to shareholders on Amazon’s process for comprehensively identifying and analyzing potential and actual human rights risks of Amazon’s **entire operations and supply chain**. The Company tried and failed to obtain exclusion under Rule 14a-8(i)(7). [Emphasis added] Among other things, the proposal requested discussion of the methodology used to track and measure performance and actual and/or potential human rights risks identified in the course of the human rights risk assessment related to Amazon’s use of labor contractors/subcontractors, temporary staffing agencies, or similar employment arrangements (or a statement that no such risks have been identified). **This human rights risk clearly encompassed the treatment of warehouse workers, which the current facts demonstrate is a MAJOR area of human rights risk for the Company.** Moreover, the focus on temporary labor was even more in the weeds of issues of workforce management than the current Proposal.

In *Apple Inc.* (Dec. 20, 2021), the proposal asked that the board prepare a public report assessing the potential risks to the company associated with its use of **concealment clauses in the context of harassment, discrimination, and other unlawful acts**. The Staff did not allow exclusion under Rule 14a-8(i)(7), noting that “[i]n our view, the Proposal transcends ordinary business matters and does not seek to micromanage the Company.”

In *Coca-Cola Company* (March 17, 1980), the proposal requested that the board of directors develop a policy required of all subsidiaries and future franchises requiring their observance of their employees’ basic human rights. This policy would permit, where management deemed advisable, **termination of franchise agreements with bottlers consistently violating company policy**. This was found by the Staff to not address the Company’s ordinary business.

If a human rights proposal that is principally focused on issues of how workers are treated is appropriate under Rule 14a-8(i)(7), there is no valid basis for excluding the current Proposal. Amazon clearly affects the dignity and human rights of its massive population of warehouse workers.

² Robert F. Kennedy Human Rights is “is a non-partisan, not-for-profit organization that has worked to realize Robert F. Kennedy’s dream of a more just and peaceful world since 1968. In partnership with local activists, we advocate for key human rights issues, pursuing strategic litigation at home and around the world. And to ensure change that lasts, we foster a social-good approach to business and investment and educate millions of students about human rights and social justice.” The organization notes: “A dignity-centered organization honors its workers with its policies, practices, systems and structures, as well as through the actions its managers take on a day-to-day basis. It establishes a common understanding of language and values that creates a context for organizational decisions. Without such dignity consciousness, actions intended to enhance the employee experience may fail to affirm dignity and may even cause harm. Honoring dignity includes, though it is not limited to, respected workplace philosophies and practices that are clear indicators of a healthy workplace culture. Each of the following established workplace concepts is a central tenet of dignity.” <https://rfkhumanrights.org/our-programs/workplace-dignity/what-is-workplace-dignity>

³ <https://rfkhumanrights.org/our-programs/workplace-dignity/what-is-workplace-dignity>

In many other instances, the Staff made clear that proposals asking a company to adopt and enforce a workplace code of conduct based on the International Labor Organization's (ILO) Convention on Workplace Human Rights are not excludable under the ordinary business rule. See, e.g., *E. I. Du Pont de Nemours* (Mar. 11, 2002). The ILO Convention includes a series of principles applicable to workforce management, such as no use of child labor, no discrimination or intimidation in employment, workers' right to form and join unions, workers representatives not subject to discrimination, access to workplaces to carry out representation, and no use of forced labor.⁴

The Proposal is in line with prior proposals on racial equity audits

Recent Staff decisions have determined that a request to a company to conduct a civil rights or racial equity audit is not excludable under Rule 14a-8(i)(7). *Amazon.com, Inc.* (New York State Common Retirement Fund) (April 7, 2021). The proposal, in its background section, *focused significantly on the treatment of Amazon's warehouse workers.*⁵ Despite the Company's objections, including referring to the proposal's focus on the workforce, the proposal was not deemed excludable under Rule 14a-8(i)(7).

As a practical matter, the current proposal for an independent audit of the treatment of warehouse workers is no more intrusive and no less appropriate than the civil rights or racial equity audit proposal. Both forms seek a top-level review by an independent auditor. Both assessments provide an opportunity to scrutinize the cultural elements at the company that may lead to human rights and dignity being undermined by Company practices, policies and norms.

The process for such a racial equity audit is very similar to what would be undertaken for an audit

⁴ See also *MasterCard Inc.* (April 25, 2019), where the proposal not excluded under Rule 14a-8(i)(7) requested that the board direct the Nominating and Corporate Governance Committee to create a standing committee to oversee the company's responses to domestic and international developments in human rights that affect Mastercard's business. Also, in *The Wendy's Company* (March 12, 2021, chart decision), the proposal requested that the board issue a report, at reasonable cost and omitting proprietary information, addressing Wendy's Supplier Code of Conduct and the extent to which Wendy's Quality Assurance audits and third-party reviews *effectively* protect workers in its food supply chain from human rights violations, including harms associated with COVID-19. The Wendy's proposal further requested that the report include:

- Whether Wendy's requires its food suppliers to implement COVID-19 worker safety protocols ("Protocols"), and, if so, the content of the Protocols, as well as the section(s) of Wendy's Quality Assurance audit instrument relating to the Protocols and/or the Code's Human Rights and Labor Practices Expectations ("Expectations");
- The number of times Wendy's has suspended one of its meat or produce suppliers ("Suppliers") for failing to meet Expectations and/or Protocols;
- A list of all third-party auditors approved by Wendy's to monitor adherence to Expectations and/or Protocols, the total number of Supplier locations, how often Wendy's requires third-party audits on-site at each Supplier location for adherence with Expectations and/or Protocols, and the number of Supplier locations so audited in the last year including the number of Supplier workers personally interviewed at each location;
- Whether Wendy's ensures Suppliers' workers have access to a third-party grievance mechanism, with the authority to order a remedy, for reporting violations of Expectations and/or Protocols, and, if so, the required procedures, number of grievances filed by Suppliers' employees in the last year, and outcomes of all such grievances.

⁵ The proposal noted: "In May 2020, Amazon tweeted its solidarity with the fight against systemic racism. But some of Amazon's actions have been criticized as inconsistent with that pledge: After a Black warehouse worker led a walkout over safety concerns, he was fired and subsequently described by Amazon's General Counsel as "not smart or articulate." The employee has since filed a lawsuit alleging discrimination against Black and Latino workers. Amazon's disproportionately Black and Latino warehouse workers are paid low wages and exposed to dangerous working conditions, including exposure to COVID-19. Amazon has also been criticized by employees, lawmakers, and regulators for biased promotion practices, discriminatory employee surveillance, and hiding workplace injury rates."

to fulfill the current Proposal – a top-level assessment of the effectiveness of the programs by an external investigator who effectively represents the interest of investors in assessing the efficacy of Company efforts. Thus, the current Proposal is entirely appropriate at Amazon, and not excludable under Rule 14a-8(i)(7).

FACTUAL ANALYSIS

Amazon investors are concerned about the treatment of Amazon warehouse workers

In 2020, Amazon shareholders pressed the Company to improve coronavirus safety measures at its annual meeting. Shareholders, including managers of pension funds in California, New York, and Illinois, called on Amazon’s board of directors to release more data regarding the Company’s efforts to protect workers. Concerned shareholders echoed the Company’s warehouse workers’ calls for better safety protections, such as paid sick leave and the need to close facilities where positive COVID-19 cases were confirmed for additional cleaning.

Prior to the Company’s 2020 annual meeting, about 260 shareholders held an “alternative” shareholder event led by CtW Investment Group, an organization that works with union-sponsored pension funds that own roughly 890,000 Amazon shares, to bring together investors and warehouse workers to discuss safety concerns at the Company.

Anna Pot, head of responsible investments for the Americas at Dutch pension fund manager APG Asset Management, told Consumer News and Business Channel (“CNBC”) that the Company has not issued a report on the impact of additional safety measures and that the “impression is that we’re still not there yet, that there are still unsafe working conditions.”⁶ Pot co-signed a letter with Scott Stringer, the comptroller who oversees New York City’s ~\$211 billion in pensions, pressing Amazon director Judith McGrath to expound the efficacy of Amazon’s investments in COVID-19 safety measures by releasing data on coronavirus transmission rates, complaints filed with the Occupational Safety and Health Administration (“OSHA”), and the impact safety investments have had on productivity, workplace culture, and employee morale.⁷ The letter from investors stated: “As long-term Amazon shareowners, with \$4.2 billion invested in Amazon shares on a combined basis, we are concerned by the potential disconnect between management’s reported employee initiatives and these media reports regarding widespread COVID-19 health and safety concerns among Amazon employees.”

The investor concern is justified despite the Company’s claims that it has a robust safety system. These issues relating to warehouse workers are a long-standing concern. For instance, an article published in pre-pandemic 2019 noted that despite the Company’s claims to be safety oriented “the online retailer is known for a pattern of worker fatalities, numerous injuries and claims of unsafe working conditions.”⁸ Reports in recent years from the *Center for Investigative Reporting* and *The Washington Post* found **serious injury rates at many Amazon facilities to be around double industry standards**. Legislation has targeted employers like Amazon around the use of productivity quotas, and a U.S. Labor Department office recently began auditing how the government has responded to rising warehouse injuries in the pandemic. New York Attorney General Letitia James filed a lawsuit against Amazon for

⁶ <https://www.cnbc.com/2020/05/25/amazon-shareholder-meeting-investors-want-worker-safety-disclosures.html>

⁷ <https://www.cnbc.com/2020/05/25/amazon-shareholder-meeting-investors-want-worker-safety-disclosures.html>

⁸ <https://www.ehstoday.com/safety/article/21919916/does-amazon-care-about-worker-safety>

failing to adequately protect workers during the coronavirus pandemic.⁹

Investors have good reason to be concerned given the number of credible sources citing the Company as having a serious challenge in keeping its workers safe.

Amazon’s scale, and technical and market leadership, imposes massive societal impacts through apparent maltreatment of warehouse workers

Throughout the ongoing COVID-19 pandemic, at a time when workers fear contracting the virus and an estimated 200,000 U.S. businesses¹⁰ permanently shuttered annually in addition to pre-pandemic closure rates, Amazon has experienced record profit growth. According to *The New York Times*, Amazon reported \$108.5 billion in sales in the first three months of 2021 alone, up 44 percent from 2020.¹¹ Another astounding statistic the Company reported was that in the first three months of 2021, Amazon received \$8.1 billion in profit, which constituted an increase of 220 percent from the same time period in 2020, as reported by *The New York Times*.¹² Moreover, from March 31, 2020 to March 31, 2021, at a time when the pandemic affected the U.S. and other countries the greatest, Amazon collected a net income of ~\$26.9 billion, according to Market Watch, which further reported that net income figure is more than Amazon’s overall profits for the three years immediately prior to the pandemic combined – from 2017 through 2019, Amazon’s profits totaled ~\$24.7 billion.¹³

Despite a labor market concerned with contracting the coronavirus at work, supply chain delays, and even COVID-19 outbreaks in the Company’s own facilities, Amazon hired hundreds of thousands of new employees and dramatically expanded its network of fulfillment and distribution centers to manage the uptick in orders spurred by an increase of online shopping.¹⁴ Additionally, the pandemic caused the airline industry to reel from major losses in revenue, and yet Amazon’s air cargo business rapidly accelerated. Between February 2019 and September 2020, Amazon grew its fleet of cargo planes from 50 to 70, including the purchase of nine planes between May and July 2020, “the most it has added over a three-month span since its inception.”¹⁵

The Company itself promotes its growth as evidence of its important role in the U.S. economy. On its “about Amazon” website it notes: “Over the last decade, no other U.S.-based company has created more jobs than Amazon. Our investments have led to the creation of over 2.7 million jobs in the U.S. We have more than 800,000 U.S. employees across 40 states and 250 counties.”¹⁶

The Company’s footprint and leadership in shaping the U.S. economy is clear. As one laudatory article¹⁷ wrote, “Shopping used to be hard work – wandering down multiple aisles in search of a desired

⁹ <https://www.cnbc.com/2021/08/29/amazons-biggest-hardest-to-solve-esg-issue-may-be-its-own-workers.html>

¹⁰ <https://www.wsj.com/articles/covid-19s-toll-on-u-s-business-200-000-extra-closures-in-pandemics-first-year-11618580619>; see also <https://www.businessinsider.com/small-business-closures-pandemic-less-expected-past-year-fed-survey-2021-4>

¹¹ <https://www.nytimes.com/2021/04/29/technology/amazons-profits-triple.html>

¹² <https://www.nytimes.com/2021/04/29/technology/amazons-profits-triple.html>

¹³ <https://www.marketwatch.com/story/amazon-has-made-as-much-profit-during-pandemic-as-previous-three-years-of-earnings-in-total-11619726844>

¹⁴ <https://fortune.com/2021/10/18/amazon-massive-growth-covid-pandemic-8-charts/>

¹⁵ <https://www.cnbc.com/2020/09/15/amazon-has-rapidly-expanded-its-air-cargo-fleet-during-the-coronavirus-pandemic-inching-closer-to-rivals-ups-fedex-.html>

¹⁶ <https://www.aboutamazon.com/news/job-creation-and-investment/amazons-economic-impact-in-the-u-s>

¹⁷ <https://theconversation.com/how-bezos-and-amazon-changed-the-world-154546>

item, dealing with crying and nagging kids, and waiting in long checkout lines. Today, stores try to reach out to shoppers anywhere, anytime and through multiple channels and devices.” But at the same time, that article also noted: **“Amazon’s work culture is intense. It has a reputation as a cutthroat environment with a high employee burnout rate.”**

It stands to reason that a workplace culture in a giant company that does not support employees may not be a culture that is sustainable. Even Jeff Bezos noted in a 2018 all hands meeting, “Amazon is not too big to fail.”¹⁸

The way that Amazon treats its warehouse workers is paving a model for the U.S. economy. According to *Business Insider*, Amazon is the second largest employer in the U.S. as it employs 1.3 million people globally, with 950,000 of those employees being U.S.-based, meaning that “one out of every 350 Americans works for Amazon, or one out of every 153 employed workers in the U.S.” according to Company-provided data available as of July 2021.¹⁹

Stuart Appelbaum, president of the Retail, Wholesale, and Department Store Union (“RWDSU”), which represents workers at major retailers such as Macy’s, Bloomingdale’s, and H&M, detailed Amazon’s global impact: “[w]hen we talk about Amazon, we’re really talking about the future of work. Other employers feel that if they want to survive, they have to find a way to change their working conditions to replicate Amazon. And that’s exactly what we don’t want – we don’t want Amazon to be the model for what working is going to be like, of what the future of work is going to look like.”²⁰

The Proposal’s focus on the Company’s policies, management, performance metrics, and targets implicates Amazon’s **warehouse surveillance system** that tracks workers’ every movement, and under which those who work too slowly or remain idle for too long risk being fired.²¹ Testimony given by an Amazon warehouse employee, Jennifer Bates, before the U.S. Senate Budget Committee Hearing on March 17, 2021, revealed how “grueling” the monitored work pace is within the Company’s warehouses.²² Bates testified, “We have to keep up with the pace. My workday feels like a 9-hour intense workout every day. And they track our every move – if your computer isn’t scanning, you get charged with being time-off-task. From the onset I learned that if I worked too slow or had too much time off task I could be disciplined or even fired.”²³ Bates also testified, “Working at an Amazon warehouse is no easy thing. The shifts are long. The pace is super-fast. You are constantly being watched and monitored. They seem to think you are just another machine.”²⁴ This surveillance system designed to identify impediments a worker may face has been criticized by not only warehouse workers, but also executives at the Company. An early designer of Amazon’s warehouse relations voiced concern that surveillance metrics cast a vast shadow over the workforce, thus creating an anxious and negative environment amongst the workers.²⁵

¹⁸ <https://theconversation.com/how-bezos-and-amazon-changed-the-world-154546>

¹⁹ <https://www.businessinsider.com/amazon-employees-number-1-of-153-us-workers-head-count-2021-7>

²⁰ <https://www.vox.com/recode/2020/6/29/21303643/amazon-coronavirus-warehouse-workers-protest-jeff-bezos-chris-smalls-boycott-pandemic>

²¹ <https://www.nytimes.com/2021/06/15/us/politics/amazon-warehouse-workers.html>

²² <https://www.budget.senate.gov/imo/media/doc/Jennifer%20Bates%20-%20Testimony%20-%20U.S.%20Senate%20Budget%20Committee%20Hearing.pdf>

²³ <https://www.budget.senate.gov/imo/media/doc/Jennifer%20Bates%20-%20Testimony%20-%20U.S.%20Senate%20Budget%20Committee%20Hearing.pdf>

²⁴ <https://www.budget.senate.gov/imo/media/doc/Jennifer%20Bates%20-%20Testimony%20-%20U.S.%20Senate%20Budget%20Committee%20Hearing.pdf>

²⁵ <https://www.budget.senate.gov/imo/media/doc/Jennifer%20Bates%20-%20Testimony%20-%20U.S.%20Senate%20Budget%20Committee%20Hearing.pdf>

In 2019, a top performing Amazon employee was fired for having too much “time off task,” referred to within the Company as “T.O.T.,” after having one difficult day in which her bus was late and her department workstation was reassigned to a new location, which was challenging for her to find in the massive warehouse.²⁶

A petition was put forth by 35 social justice organizations demanding that lawmakers ban Amazon’s “panopticon-style surveillance” and investigate abuse.²⁷ The petition, entitled “Stop Amazon’s Injury Crisis: End Amazon’s Dangerous and Punitive Worker Surveillance,” was signed on by many workers’ rights organizations, including: Warehouse Worker Resource Center, Warehouse Workers for Justice, Civil Liberties Defense Center, Government Accountability Project, and the National Employment Law Project.²⁸ The petition outlines how Amazon’s punitive worker surveillance system causes dangerous impacts to workers’ physical and mental health, the potential to undermine workers’ right to organize, and long-term deskilling and wage decline of these jobs.²⁹

The Company’s crisis of human capital management transcends ordinary business

As noted above, Staff Legal Bulletin 14L notes that proposals relating to human capital management may transcend ordinary business. Articles on human capital management emphasize the issue of employee retention and turnover as a central issue in human capital management disclosure.³⁰

In 2021, CNBC³¹ reported that worker safety “is one of Amazon’s biggest, hardest-to-solve issues.” Even Amazon founder and former CEO, Jeff Bezos, wrote in his last annual letter to shareholders as CEO, that “we need a better vision for our employees’ success.”³²

The maltreatment of warehouse workers also relates to the extraordinary turnover rate at the Company. *The New York Times*³³ reported that, prior to the COVID-19 pandemic, Amazon was losing roughly 3 percent of its hourly workers each week, which meant that its turnover rate was roughly 150 percent a year. According to the *Times*: In 2019 alone, Amazon churned through over half a million workers. At such an extreme turnover rate, Amazon had to replace the equivalent of its entire workforce approximately every eight months. In 2020, during the onset of the COVID-19 pandemic, Amazon piloted a hiring surge that was unparalleled in U.S. corporate history by onboarding 350,000 new workers in only three months. When asked to account for Amazon’s high turnover rate, Kelly Nantel, an Amazon spokesperson, stated that “[a]ttribution is only one data point, which when used alone lacks important context.” However, some Amazon executives have shared concerns that the Company “may run out of workers.” Paul Stroup, who formerly led human resources teams focused on understanding warehouse workers, was dismayed that he “didn’t hear long-term thinking” about the Company’s rapid cycling through employees. He compared Amazon’s approach to its workers to using fossil fuels in spite of an ongoing climate crisis by saying, “We keep using them even though we know we’re slowly cooking ourselves.”

²⁶ <https://www.nytimes.com/2021/06/15/us/politics/amazon-warehouse-workers.html>

²⁷ <https://gizmodo.com/here-are-the-labor-abuses-behind-prime-day-1847142082>

²⁸ <https://athenaforall.medium.com/end-rate-tot-be35b880a67e>

²⁹ <https://athenaforall.medium.com/end-rate-tot-be35b880a67e>

³⁰ <https://www.indeed.com/career-advice/career-development/what-is-human-capital-management>

³¹ <https://www.cnbc.com/2021/08/29/amazons-biggest-hardest-to-solve-esg-issue-may-be-its-own-workers.html>

³² https://www.annualreports.com/HostedData/AnnualReports/PDF/NASDAQ_AMZN_2020.pdf

³³ <https://www.nytimes.com/2021/06/15/us/politics/amazon-warehouse-workers.html>

Warehouse worker treatment is a racial equity issue

The Company's treatment of its warehouse employees has become a symbol of the longstanding racial and economic inequalities in the U.S. that the pandemic has exacerbated, according to *Vox*.³⁴ During the onslaught of the pandemic, most of Amazon's corporate employees were allowed to work from home while Amazon's warehouse employees, who have historically³⁵ been more racially diverse than its corporate employees, had to show up to work in person, according to *Vox*.³⁶ In June 2021, the National Council for Occupational Safety and Health issued a report entitled "Dark Work, Devalued and Unprotected: From 1619 to COVID-19"³⁷ in which Christian Smalls, founder of the Congress of Essential Workers and former Amazon employee, provided a first-hand account of "horrid working conditions" and described being "fired by Amazon in early 2020 after helping to organize a protest to address unsafe working conditions during the pandemic." The report stated that "Black essential workers experience a vicious cycle of stress and trauma as they have no safety nets while facing threats of retaliation from their employers for attempting to advocate for better workplace conditions."

A 2021 petition put forth by 35 social justice organizations called Amazon's business model "a calculated exploitation of workers, the majority of whom are Black and brown," and noted that at "one of Amazon's largest warehouses in New York, Black workers were fifty percent³⁸ more likely to be fired than their white peers."³⁹

December 2021 tornado warehouse catastrophe elevates issue of warehouse worker treatment

The National Weather Service issued a tornado warning for the Edwardsville, Illinois area 36 hours before the tornado touched down.⁴⁰ Though the Edwardsville Amazon warehouse is located in FEMA's highest tornado risk area, wind Zone IV,⁴¹ lawmakers in Congress found that "it is not clear whether Amazon gave any advance instructions to workers on December 10, 2021, or provided them with flexibility to remain safely sheltered at home."⁴² According to *Bloomberg*, at least one Amazon delivery driver was instructed to "keep driving" because "we can't just call people back for a warning unless Amazon tells us to do so." That driver was informed less than 50 minutes before the tornado touched down that if she did stop driving, it "won't be viewed as for your own safety" and "will ultimately end with you not having a job come tomorrow."⁴³ Amazon has "often discouraged and even banned workers

³⁴<https://www.vox.com/recode/2020/6/29/21303643/amazon-coronavirus-warehouse-workers-protest-jeff-bezos-chris-smalls-boycott-pandemic>

³⁵ <https://www.seattletimes.com/business/amazon-amazon-more-diverse-at-its-warehouses-than-among-white-collar-ranks/>

³⁶<https://www.vox.com/recode/2020/6/29/21303643/amazon-coronavirus-warehouse-workers-protest-jeff-bezos-chris-smalls-boycott-pandemic>

³⁷ <https://www.coshnetwork.org/Juneteenth2021>

³⁸ <https://www.nytimes.com/interactive/2021/06/15/us/amazon-workers.html?referringSource=articleShare>

³⁹ <https://gizmodo.com/here-are-the-labor-abuses-behind-prime-day-1847142082>

⁴⁰<https://www.warren.senate.gov/imo/media/doc/2021.12.20%20Letter%20to%20Amazon%20re.%20Edwardsville,%20IL%20warehouse%20collapse.pdf>

⁴¹ <https://www.engadget.com/amazon-tornado-edwardsville-illinois-deaths-climate-220437155.html>

⁴²

<https://www.warren.senate.gov/imo/media/doc/2021.12.20%20Letter%20to%20Amazon%20re.%20Edwardsville,%20IL%20warehouse%20collapse.pdf>

⁴³ <https://www.bloomberg.com/news/features/2021-12-17/amazon-tornado-aftermath-workers-say-they-lacked-emergency-training>

from having personal phones in the warehouse,”⁴⁴ and yet at least one worker, U.S. Army veteran Larry Virden who served in Iraq, texted his partner that Amazon had “ordered him” not to leave the facility to seek safer shelter in advance of the tornado and to “stay put.”⁴⁵ Virden was amongst those who died at the DL14 warehouse that day.⁴⁶

In the aftermath of the tornado, the Company has received recriminations from a number of angles. It has faced at least one lawsuit from the family of a warehouse worker who died in the tornado catastrophe and who asserts that the Company had placed profits first and not warned or evacuated its employees.⁴⁷ Legal observers suggested that this is purely a question of the Company’s culture - rather than facing a clear legal obligation to shut down the factory in the face of the tornado, the issue was Amazon’s choice; the Company simply chose to keep the warehouse running. This is a perfect example of why the Proposal is necessary – to probe the underlying culture that seems to have treated worker protection as a lower priority than keeping the shipments flowing.⁴⁸ Lawmakers, led by Elizabeth Warren, Corey Bush and Alexandria Ocasio-Cortez, have also demanded answers from Amazon, particularly about whether and how the Company’s policies contributed to the deaths of the workers in the tornado catastrophe.⁴⁹ The lawmakers wrote a letter⁵⁰ to Amazon CEO Andy Jassy and founder Jeff Bezos seeking answers as to whether the collapse and resulting deaths were due to the Company’s “anti-worker policies that prioritize profits over worker safety.”⁵¹

Though the tragic deaths of the Company’s workers at the DL14 warehouse reportedly due to Amazon’s workplace safety failures “are disturbing when considered alone,” lawmakers in Congress and the Senate believe those workplace safety failures “fit all too well with an ongoing, company-wide pattern of worker mistreatment, including neglecting worker safety, shortchanging workers on proper pay and benefits, and employing union-busting tactics towards workers when they have tried to organize for better working conditions.”⁵²

Given the depth and intensity of controversy swirling around the Company and the cultural concerns raised by how warehouse workers were treated—being placed in the line of danger of a tornado—investors can reasonably be concerned that there is inadequate assessment of the efficacy and impact of efforts to protect employee well-being. The audit process offers an opportunity for investors to seek a critical eye on the treatment of workers in the Company’s culture and its impact on employee morale from a credible third-party source.

⁴⁴<https://www.warren.senate.gov/imo/media/doc/2021.12.20%20Letter%20to%20Amazon%20re.%20Edwardsville,%20IL%20warehouse%20collapse.pdf>

⁴⁵ <https://nypost.com/2021/12/12/amazon-worker-texted-girlfriend-he-wasnt-allowed-to-leave-warehouse/>

⁴⁶ <https://nypost.com/2021/12/12/amazon-worker-texted-girlfriend-he-wasnt-allowed-to-leave-warehouse/>

⁴⁷ Associated Press, Amazon faces lawsuit over deadly tornado warehouse collapse, January 18, 2022.

⁴⁸ <https://www.theverge.com/22836393/amazon-warehouse-tornado-collapse-illinois-disaster>

⁴⁹ <https://www.theverge.com/2021/12/20/22845309/warren-bush-aoc-amazon-letter-tornado-warehouse-deaths>

⁵⁰

<https://www.warren.senate.gov/imo/media/doc/2021.12.20%20Letter%20to%20Amazon%20re.%20Edwardsville,%20IL%20warehouse%20collapse.pdf>

⁵¹ <https://www.cnbc.com/2021/12/20/amazon-warehouse-in-illinois-hit-by-tornado-killing-6.html>

⁵²<https://www.warren.senate.gov/imo/media/doc/2021.12.20%20Letter%20to%20Amazon%20re.%20Edwardsville,%20IL%20warehouse%20collapse.pdf>; *see also* Annie Palmer, *Senators urge investigation into Amazon over alleged discrimination against pregnant warehouse workers*, CNBC (Sept. 10, 2021), <https://www.cnbc.com/2021/09/10/senators-call-for-amazoninvestigation-over-alleged-pregnancy-discrimination.html>.

Visibility and reputation for Amazon

This is clearly an important reputational issue for Amazon. The Company has faced an extraordinary amount of media exposure. For instance, a Google search of “Amazon worker safety” yields about 33,700,000 results,⁵³ and of those results, about 191,000 are sourced directly from news outlets.⁵⁴ Though the coronavirus pandemic increased workplace safety concerns, Amazon continues to be fraught with workplace safety complaints outside of COVID-19 related issues. As recently as February 23, 2022, *Colorado Newsline* reported that inside a partially completed Amazon warehouse, workers claimed they were rushed to complete construction on time and in doing so they “walked on conveyor belts four stories high without safety harnesses, welders used plasma torches while surrounded by flammable cardboard boxes, and laborers raised metal racks alongside a moving forklift, putting their feet in danger of being crushed.”⁵⁵ Also on February 23, 2022, *EIN Presswire* reported that “Amazon’s reliance on robots in their Philadelphia region warehouses and fulfillment centers is resulting in increased worker injuries.”⁵⁶ On January 24, 2022, *Reuters* reported on Amazon’s “reported injury figures for 2020 showing worse-than-average safety rates in its U.S. warehouses.”⁵⁷ On February 2, 2022, *Protocol* reported that in response to a Dupont, Washington Amazon fulfillment center being fined twice in the last year for issues including “grueling expectations that increase workplace injuries,” Washington State Senator Steve Conway has co-sponsored and authored a quota transparency bill targeted at Amazon’s productivity metrics.⁵⁸

A report released in 2021 by the Strategic Organizing Center found that, in 2020, “there were 5.9 serious injuries for every 100 Amazon warehouse workers, which is nearly 80% higher than the serious injury rate at non-Amazon warehouses.”⁵⁹ CNBC reported that, according to data released by the Company, Amazon’s 2020 injury rates were higher than Walmart, one of its closest retail competitors; Amazon’s overall injury rate in 2020 was 6.5 cases for every 100 workers, which is more than twice of Walmart, which reported three cases for every 100 employees in 2020.⁶⁰ Additionally, *The Washington Post* published an analysis of OSHA data showing that Amazon’s serious injury rates are nearly double the rates of non-Amazon warehouses.⁶¹

Negative press coverage on the Company’s working conditions is not new, and date back at least to 2011, when the daily newspaper in Allentown, Pennsylvania⁶² and the *Los Angeles Times*⁶³ reported that when the heat index at an Amazon warehouse reached 102 degrees, “workers were collapsing, those who left because of the heat were receiving disciplinary points,” multiple workers were sent to the hospital,

⁵³ <https://www.google.com/search?q=amazon+worker+safety&>

⁵⁴ https://www.google.com/search?q=amazon+worker+safety&rlz=1C5CHFA_enUS734TH735&source=lnms&tbn=nws&sa=X&ved=2ahUKEwjw_r_EoJb2AhVEUt8KHdbFA9YQ_AUoAXoECAEQAw&biw=874&bih=689&dpr=2

⁵⁵ <https://coloradonewsline.com/2022/02/23/covid-lack-of-whistleblower-protections/>

⁵⁶ https://www.einnews.com/pr_news/563771313/amazon-warehouse-robots-increase-worker-injures-in-philadelphia-region

⁵⁷ <https://www.reuters.com/business/retail-consumer/amazon-discloses-staff-injury-rates-showing-where-it-is-worse-or-better-than-2022-01-24/>

⁵⁸ <https://www.protocol.com/workplace/amazon-warehouse-quota-bill-washington>

⁵⁹ <https://www.cnbc.com/2021/06/01/study-amazon-workers-injured-at-higher-rates-than-rival-companies.html>; see also <https://thesoc.org/amazon-primed-for-pain/>

⁶⁰ <https://www.cnbc.com/2021/06/01/study-amazon-workers-injured-at-higher-rates-than-rival-companies.html>

⁶¹ <https://www.washingtonpost.com/technology/2021/06/01/amazon-osha-injury-rate/>

⁶² <https://bits.blogs.nytimes.com/2011/09/19/inside-amazons-very-hot-warehouse/>

⁶³ <https://www.latimes.com/business/la-xpm-2011-oct-01-la-fi-1001-amazon-allentown-20111001-story.html>

and “managers called 911 so many times that, rather than shutting down operations until the heat wave passed, Amazon ended up just paying for a fleet of ambulances to remain stationed outside.”⁶⁴

According to a *Vox Recode* article, in response to the media attention on poor treatment of warehouse workers, the Company launched a public relations campaign that included television commercials⁶⁵ and a documentary television series⁶⁶ to solidify a message to its customers that keeping the “retail heroes” in its warehouses safe is its top priority.⁶⁷ According to Statista, a leading provider of market and consumer data, in the fiscal year 2020, Amazon’s marketing spending amounted to roughly \$22 billion, up from \$18.9 billion in the previous year.⁶⁸ In 2020, it was reported that Amazon had become the “biggest advertiser on Earth.”⁶⁹

Reports show the enormous pressure under which warehouse workers function. *The Guardian* interviewed one of those workers, Rina Cummings, who worked three 12-hour shifts every week at Amazon’s New York City warehouse, called JFK8, on State Island since it first opened in late 2018.⁷⁰ In her role as a sorter on the outbound shipping dock at JFK8, Cummings told *The Guardian* that she was required to inspect and scan a mandated 1,800 Amazon packages an hour, or 30 per minute. Cummings alleged that when packages and envelopes burst on the conveyor belt, workers must stop the belt to clean up the mess, but are still expected to hit the mandated hourly rate. When workers do not meet their hourly quota due to issues such as packages bursting, they are written up. In November 2019, as the holiday shopping rush at Amazon pressed ahead, Cummings became one of 600 Amazon warehouse workers who signed and delivered a petition to management calling on Amazon to improve working conditions. The petition drew attention to reports of high injury rates at the JFK8 facility, which were found to be three times the U.S. national average for warehouses according to Amazon’s injury reports to OSHA.

CONCLUSION

The request for an independent review of Amazon’s treatment of its warehouse workers addresses a significant policy issue that transcends ordinary business. The Company has provided no basis for the conclusion that the Proposal merely addresses ordinary business and is excludable from the 2022 proxy statement pursuant to Rule 14a-8. As such, we respectfully request that the Staff inform the Company that it is denying the no action letter request.

⁶⁴ See <https://www.vox.com/the-goods/2019/6/26/18758599/amazon-fulfillment-center-tour-robots-workers>; see also <https://prsuperstaruk.medium.com/amazon-public-relations-how-the-worlds-biggest-marketplace-built-its-audience-9abe2dea8cbe>.

⁶⁵ https://www.youtube.com/watch?v=_Z7PY4bOvvo

⁶⁶ [https://press.aboutamazon.com/news-releases/news-release-details/amazon-original-series-regular-heroes-premiere-may-8?ots=1&slotNum=4&imprToken=6ebf912d-515a-dc7b-8da&ascsubtag=\[\]vx\[p\]21067684\[t\]w\[d\]D](https://press.aboutamazon.com/news-releases/news-release-details/amazon-original-series-regular-heroes-premiere-may-8?ots=1&slotNum=4&imprToken=6ebf912d-515a-dc7b-8da&ascsubtag=[]vx[p]21067684[t]w[d]D)

⁶⁷ <https://www.vox.com/recode/2020/6/29/21303643/amazon-coronavirus-warehouse-workers-protest-jeff-bezos-chris-smalls-boycott-pandemic>

⁶⁸ <https://www.statista.com/statistics/506535/amazon-marketing-spending/>

⁶⁹ <https://www.campaignlive.com/article/amazon-biggest-advertiser-earth-adspend-hits-11bn/1672723>

⁷⁰ <https://www.theguardian.com/technology/2020/feb/05/amazon-workers-protest-unsafe-grueling-conditions-warehouse>

Shareholder Proposal

RESOLVED: Shareholders of Amazon.com, Inc. (“Amazon”) request that the Board of Directors commission an independent audit and report of the working conditions and treatment that Amazon warehouse workers face, including the impact of its policies, management, performance metrics, and targets. This audit and report should be prepared at reasonable cost and omit proprietary information.

Supporting Statement

Amazon is now the second largest employer in the United States, and most of its employees work in warehouse fulfillment centers. While Amazon strives to be “Earth’s Best Employer” and “Earth’s Safest Place to Work,”¹ there have been multiple publicized reports of its warehouse employees being subjugated to unsafe working conditions and unfair treatment.

In May 2021, the Division of Occupational Safety and Health of the State of Washington’s Department of Labor and Industries (the “Division”) found that Amazon “did not provide employees with a workplace free from recognized hazards that are causing or likely to cause serious injury.”² During its inspection of Amazon’s BFI3 warehouse in Dupont, Washington, it found that Amazon warehouse employees were required to perform manual tasks which caused, and are likely to continue to cause, musculoskeletal disorders (“MSDs”).³ The Division reported that Amazon pressures its workers to maintain a very high pace of work without adequate recovery time to reduce the risk of injury.⁴ Further, the Division found “a direct connection between Amazon’s employee monitoring and discipline systems and workplace MSDs.”⁵

Indeed, former warehouse workers have said that while Amazon does instruct workers on safety, they had to break safety rules to keep up with their mandated quotas and pace of work out of fear of losing their jobs.⁶

Investigative reports suggest a “mounting injury crisis at Amazon warehouses,” with Amazon warehouse employees getting injured more frequently and more severely than elsewhere in the industry.⁷ For the year 2020, it was reported that Amazon’s injury rate was more than twice as high as that of Walmart warehouse workers and that Amazon’s serious injury rate was nearly 80% higher than the wider warehouse industry.⁸

¹ <https://www.aboutamazon.com/about-us>

² <https://s3.documentcloud.org/documents/20787752/amazon-dupont-citation-and-notice-may-2021.pdf>

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ <https://www.theatlantic.com/technology/archive/2019/11/amazon-warehouse-reports-show-worker-injuries/602530/>

⁷ <https://www.seattletimes.com/business/amazons-dupont-washington-warehouse-has-highest-injury-rates-of-any-fulfillment-center-in-the-u-s-report-shows/>

⁸ <https://www.forbes.com/sites/niallmccarthy/2021/06/08/amazon-warehouse-injuries-significantly-higher-than-competitors-infographic/?sh=45fc34436854>

Concerningly, Amazon's turnover rate before the pandemic was roughly 150 percent a year, a rate that is almost double that of the retail and logistics industries.⁹ High turnover can lead to increased costs for the hiring and training of replacement workers.¹⁰

In response to warehouse workers' recent organization efforts and unionization votes, former Chairman Jeff Bezos admitted that Amazon needs "to do a better job" for its employees.¹¹ As Amazon shareholders, we agree, which is why we are calling for an independent audit and report of the working conditions and treatment that Amazon warehouse workers face.

⁹ <https://www.nytimes.com/interactive/2021/06/15/us/amazon-workers.html>

¹⁰ <https://builtin.com/recruiting/cost-of-turnover>

¹¹ https://www.aboutamazon.com/news/company-news/2020-letter-to-shareholders?utm_source=social&utm_medium=tw&utm_term=amznnews&utm_content=2020shareholderletter&linkId=116261313



March 8, 2022

Via e-mail at shareholderproposals@sec.gov

Securities and Exchange Commission
Office of the Chief Counsel
Division of Corporation Finance
100 F Street, NE
Washington, DC 20549

Re: Request by Amazon.com Inc. to omit proposal submitted by the Domini Impact Equity Fund and co-filers

Ladies and Gentlemen,

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, the Domini Impact Equity Fund, together with five co-filers (together, the “Proponents”) submitted a shareholder proposal (the “Proposal”) to Amazon.com Inc. (“Amazon” or the “Company”). The Proposal asks Amazon’s board to commission an independent third-party audit on workplace health and safety, evaluating productivity quotas, surveillance practices, and the effects of these practices on injury rates and turnover and to report to shareholder on the results.

In a letter to the Division dated January 24, 2022 (the “No-Action Request”), Amazon stated that it intends to omit the Proposal from its proxy materials to be distributed to shareholders in connection with the Company’s 2022 annual meeting of shareholders. Amazon argues that it is entitled to exclude the Proposal in reliance on Rule 14a-8(i)(7), on the ground that the Proposal deals with the Company’s ordinary business operations; and Rule 14a-8(i)(11), as substantially duplicating an earlier-received proposal that will appear in Amazon’s proxy statement. As discussed more fully below, the Proposal addresses the significant social policy issue of the impact of productivity quotas and worker surveillance, and there are significant differences between the Proposal and earlier-received proposal precluding a finding of substantial duplication. The Proponents thus respectfully request that Amazon’s request for relief be denied.

The Proposal

The Proposal states:

Shareholders of Amazon.com request that the Board of Directors commission an independent third- party audit on workplace health and safety, evaluating:

- productivity quotas,
- surveillance practices, and
- the effects of these practices on injury rates and turnover.

The audit should be conducted with input from employees, experts in workplace safety and surveillance, and other relevant stakeholders; informed by recent state legislation; and address regulatory inquiry, and media coverage. A report on the audit, prepared at reasonable cost and omitting confidential and proprietary information, should be publicly disclosed on Amazon's website.

Ordinary Business

Amazon argues that the Proposal is excludable because it addresses the ordinary business matters of workplace health and safety and management of the workforce. The Division has generally regarded workforce-related matters as ordinary business matters; however, if a proposal focuses on a significant social policy issue, the fact that it implicates a company's treatment of its workers does not support exclusion on ordinary business grounds. The consistent and widespread public debate over the impact of productivity quotas and worker surveillance, including debate focused specifically on Amazon,¹ qualifies the topic as a significant social policy issue and takes the Proposal's subject out of the ordinary business realm.

Amazon's e-commerce platform relies on a large network of warehouses to deliver merchandise to customers quickly. Its Prime membership promises two-day delivery on most items, and in 2019 Amazon announced its intention to provide one-day delivery to Prime customers on most items. (Ironically, that ambition has been thwarted by staffing shortages.) "Speedy" delivery has been a cornerstone of Amazon's business model.²

Amazon's dominance makes it the de facto standard-setter in the industry and beyond. Its workforce has grown from 24,300 in 2009 to 1,608,000 in 2021.³ A recent article in The Wall Street Journal asserted that "Amazon is emerging as a de facto wage-and-benefit setter for a large pool of low-skilled workers."⁴ Two weeks after Amazon announced in 2019 that it would move from free two-day shipping for Prime members to next-day delivery, Walmart followed suit.⁵

Amazon imposes strict productivity quotas or targets on workers in its warehouses. Workers who do not meet the quotas are assigned points; too many points, which can also be given for

¹ In Staff Legal Bulletin 14L (Nov. 3, 2021), the Division explained that its primary focus was "the social policy significance of the issue that is the subject of the shareholder proposal" rather than "the nexus between a policy issue and the company." The sheer size of Amazon's workforce amplifies the importance of its practices in setting standards for the industry and in determining worker experiences. Accordingly, our significant social policy issue analysis focuses on the widespread public debate regarding quotas and surveillance in warehouses generally and the use of such practices by Amazon.

² See <https://www.businessinsider.com/jeff-bezos-steps-down-andy-jassy-amazon-ceo-employee-memo-2021-2>

³ <https://www.macrotrends.net/stocks/charts/AMZN/amazon/number-of-employees>

⁴ <https://www.wsj.com/articles/amazon-emerges-as-the-wage-and-benefits-setter-for-low-skilled-workers-across-industries-11638910694>

⁵ <https://www.cnn.com/2019/05/13/walmart-announces-next-day-delivery-firing-back-at-amazon.html>

exceeding break times, leads to termination.⁶ According to workers, including from workers in including from the UK, Poland, and France, quotas are often increased and changed over time, at times to unrealistic levels, and can be difficult to achieve depending on where one is assigned to work.⁷ In a survey of UK Amazon warehouse workers, 74% said they avoided using the bathroom because they feared missing their quotas and being assigned a point.⁸ Another investigation reported that workers, who are allotted nine seconds to process a package, sometimes fall asleep standing up due to the grueling nature of the work.⁹ Seventy-five percent of California warehouse workers surveyed stated that their quotas are “always’ or ‘often’ too high to work at a safe pace.”¹⁰ Czech and Polish warehouse workers are also managed by algorithm, pitting workers against each other and leading to injuries.¹¹

Amazon’s warehouse workers are surveilled constantly, including through handheld scanners used to track inventory and computers and software to track performance, which facilitates enforcement of productivity requirements.¹² The Company receives real-time data about the pace at which workers globally are completing tasks,¹³ and any time a worker is not scanning is recorded as “time off task.” Excessive time between when a worker picks or stows an item and the time the worker picks or stows the next item, is also classified as time off task, even if the interval is caused by packing a larger item.¹⁴ Too much time off task leads to disciplinary action, including firing.¹⁵ (One estimate puts the proportion of Amazon warehouse workers terminated for inefficiency at 10% per year.¹⁶) A writer who worked undercover at a UK Amazon warehouse reported that workers often urinated into bottles because toilets were too far to reach during break periods and they feared discipline for too much time off task.¹⁷ That account was consistent with results from a survey of California warehouse workers, who noted that using bathrooms a five to six minute walk away would trigger an alarm for being off task for six minutes.¹⁸ Foregoing bathroom breaks and

⁶ <https://www.businessinsider.com/amazon-warehouse-workers-have-to-pee-into-bottles-2018-4?r=US&IR=T>;
<https://organise.network/blog/2018/2/9/whats-it-like-working-in-an-amazon-warehouse-the-results>

⁷ <https://www.amnestyusa.org/wp-content/uploads/2020/11/Amazon-briefing-Let-Workers-Unionize-Embargoed.pdf>; <https://organise.network/blog/2018/2/9/whats-it-like-working-in-an-amazon-warehouse-the-results>

⁸ <https://static1.squarespace.com/static/5a3af3e22aeba594ad56d8cb/t/5ad098b3562fa7b8c90d5e1b/1523620020369/Amazon+Warehouse+Staff+Survey+Results.pdf>

⁹ <https://www.mirror.co.uk/news/uk-news/timed-toilet-breaks-impossible-targets-11587888>

¹⁰ <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>, at 7

¹¹ <https://balkaninsight.com/2021/09/13/in-central-europe-concern-over-toll-fairness-of-amazon-algorithms/>

¹² https://uniglobalunion.org/wp-content/uploads/amazon_panopticon_en_final.pdf;

<https://www.washingtonpost.com/technology/2021/12/02/amazon-workplace-monitoring-unions/>

¹³ <https://revealnews.org/article/behind-the-smiles/>

¹⁴ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>, at 7; <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>, at 4

¹⁵ <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>, at 3

¹⁶ <https://www.theverge.com/2019/4/25/18516004/amazon-warehouse-fulfillment-centers-productivity-firing-terminations>

¹⁷ <https://www.thesun.co.uk/news/6055021/rushed-amazon-warehouse-staff-time-wasting/>

¹⁸ <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>, at 11

limiting fluid intake has led to urinary tract infections for warehouse workers.¹⁹ Workers are also monitored by cameras.²⁰

Last year, Amazon announced that it intends to install cameras in delivery vans, which would allow continual surveillance of delivery drivers.²¹ The camera system Amazon is deploying uses artificial intelligence to identify unsafe driving behavior,²² which resembles the automated warehouse disciplinary system²³ that workers say does not provide sufficient flexibility to accommodate legitimate reasons for time off task.²⁴ Safety experts have noted that other changes, such as lowering delivery quotas, would be more effective in actually reducing accidents.²⁵

The relentless pace in Amazon’s warehouses takes its toll. A 2019 analysis found that workers were seriously injured at Amazon’s warehouses at more than twice the industry average.²⁶ A more recent analysis of data that Amazon reported to the Occupational Safety and Health Administration (“OSHA”) by the Strategic Organizing Center (“SOC”) found that Amazon workers were 1.5 times more likely to be injured during 2017-2020 than workers in the warehouse industry.²⁷ SOC also found that Amazon’s warehouse injury rate was double that sustained in Walmart’s warehouses.²⁸ Forty-two percent of Amazon workers surveyed by SOC in 2021 said they had experienced pain or injury from their job that led them to miss work; 80% of those workers related their injuries to productivity demands.²⁹ SOC concluded that worker surveillance and the use of robots in facilities, which results in an increase of the pace of human workers, boost the number of worker injuries.³⁰ Workers have described their injuries as resulting from disregarding safety instructions in order to meet targets.³¹ Workers also report experiencing anxiety, and depression since starting work at Amazon, with higher rates among workers who were “very stressed” about their productivity quotas.³²

The National Employment Law Project recently analyzed Minnesota warehouse OSHA injury data, finding that workers in Amazon warehouses suffered twice as many injuries as those working in non-Amazon warehouses. The Shakopee, Minnesota Amazon warehouse had a higher

¹⁹ <https://revealnews.org/article/behind-the-smiles/>; <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>, at 11

²⁰ <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>, at 4

²¹ <https://www.theinformation.com/articles/amazon-plans-ai-powered-cameras-to-monitor-delivery-van-drivers>;

²² <https://www.businessinsider.com/amazon-plans-ai-cameras-surveil-delivery-drivers-netradyne-2021-2>

²³ <https://www.businessinsider.com/amazon-system-automatically-fires-warehouse-workers-time-off-task-2019-4>

²⁴ <https://www.businessinsider.com/amazon-union-alabama-workers-describe-anti-union-tactics-bessemer-2021-3>

²⁵ <https://news.trust.org/item/20210205132207-c0mz7/>

²⁶ <https://revealnews.org/article/behind-the-smiles/>

²⁷ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>, at 3

²⁸ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>, at 4

²⁹ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>, at 2

³⁰ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>, at 7

³¹ <https://www.theguardian.com/technology/2021/dec/30/amazon-employees-climate-fear-high-rates-injuries>; <https://revealnews.org/article/behind-the-smiles/>; <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>, at 7

³² <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>, at 9

injury rate in 2020 than any other industry in the state.³³ In a January 2021 report, Human Impact Partners (“HIP”) and the Warehouse Workers Resource Center concluded that “Amazon’s work quota and surveillance practices are causing a public health crisis for warehouse workers and delivery drivers—with grave impacts on worker health, safety, and well-being.”³⁴ HIP, several public health organizations, and over 200 public health practitioners called on Amazon in December 2021 to prohibit “inhumane and hazardous production standards” and “continuous surveillance that is used to track, discipline, and fire workers.”³⁵

These injury rates do not appear to be the result of a few rogue managers. Reports indicate that Amazon instructed warehouse safety managers to systematically under-report injuries until a few years ago, though managers continued to find ways to circumvent the reporting requirement.³⁶ Leaked internal documents showed that medical providers with which Amazon contracted for workers’ compensation purposes felt pressure to record injuries in a way that did not require them to be reported to regulators and that in-house EMTs discouraged injured workers from obtaining medical care.³⁷

Drivers working for Amazon’s subcontracted last-mile delivery services also face intense pressure to deliver all the packages in their vehicle, even when weather or other factors interfere. Such pressure leads to accidents that have injured and killed delivery drivers, other drivers and their passengers, and pedestrians.³⁸ In order to meet delivery targets, drivers limit or eliminate bathroom breaks.³⁹ Hundreds of Amazon drivers in Italy went on strike in due to what they called the “unsustainable and frenetic pace of work.”⁴⁰ Drivers are monitored by an app and that data can lead to discipline or even termination.⁴¹ Amazon maintains substantial control over delivery services; for example, days before a fatal accident in Chicago, Amazon had instructed the delivery service on a

³³ Injuries, Dead-End Jobs, and Racial Inequity in Amazon’s Minnesota Operations (December, 2021), <https://s27147.pcdn.co/wp-content/uploads/Report-Injuries-Dead-End-Jobs-and-Racial-Inequity-in-Amazons-Minnesota-Operations.pdf>

³⁴ <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>, at 1

³⁵ <https://humanimpact.org/wp-content/uploads/2021/11/Public-Health-Letter-to-Amazon-11-17-21.pdf>

³⁶ <https://revealnews.org/article/behind-the-smiles/>; <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>, at 6

³⁷ <https://www.pbs.org/newshour/show/leaked-documents-show-how-amazon-misled-the-public-about-warehouse-safety-issues>

³⁸ <https://features.propublica.org/amazon-delivery-crashes/how-amazon-hooked-america-on-fast-delivery-while-avoiding-responsibility-for-crashes/>; <https://www.buzzfeednews.com/article/carolineodonovan/amazon-next-day-delivery-deaths>; <https://www.businessinsider.com/amazon-delivery-drivers-reveal-claims-of-disturbing-work-conditions-2018-8>

³⁹ <https://features.propublica.org/amazon-delivery-crashes/how-amazon-hooked-america-on-fast-delivery-while-avoiding-responsibility-for-crashes/>; <https://www.buzzfeednews.com/article/carolineodonovan/amazon-next-day-delivery-deaths>; <https://www.businessinsider.com/amazon-delivery-drivers-reveal-claims-of-disturbing-work-conditions-2018-8>

⁴⁰ <https://uniglobalunion.org/news/amazon-workers-on-strike-in-italy-over-frenetic-pace-of-work/>; <https://www.padovaoggi.it/attualita/sciopero-amazon-vigonza-13-febbraio-2021.html>

⁴¹ <https://inthesetimes.com/article/at-will-just-cause-employment-union-labor-illinois>; <https://www.cnbc.com/2021/02/12/amazon-mentor-app-tracks-and-disciplines-delivery-drivers.html>

“no package left behind” policy.⁴² SOC’s analysis found that injury rates for last-mile delivery drivers were even higher than those experienced by warehouse workers and UPS drivers.⁴³

Conditions for delivery drivers and in Amazon’s warehouses, including quotas, surveillance and injury rates, have been the subject of extensive media coverage. In addition to the sources cited above, articles include:

- <https://www.bbc.com/news/technology-57332390>
- <https://www.bostonglobe.com/2021/07/24/business/insult-injury-working-an-amazon-warehouse-is-dangerous-its-also-first-many-problems-facing-injured-workers/>
- <https://www.businessinsider.com/amazon-warehouse-workers-face-more-injuries-than-competitors-report-2021-6>
- <https://www.businessinsider.com/whole-foods-workers-say-tracking-and-metric-system-is-like-amazons-2022-2>
- <https://www.businessinsider.com/injury-rates-at-amazon-most-dangerous-warehouse-dupont-washington-2022-2>
- <https://www.businessinsider.com/how-amazon-monitors-employees-ai-cameras-union-surveillance-spy-agency-2021-4>
- <https://www.cbc.ca/radio/day6/amazon-workplace-injuries-enforcing-privacy-laws-photographing-climate-change-hockey-in-north-korea-more-1.5376837/in-amazon-s-warehouses-injury-rates-are-twice-the-u-s-national-average-1.5376849>
- <https://www.cbsnews.com/news/amazon-injury-rate-highest-among-warehouses-worker-groups-allege/>
- <https://www.chicagotribune.com/opinion/commentary/ct-opinion-robots-ai-civil-rights-amazon-20210920-tef7m7az3rgjtacauazvw3u224-story.html>
- <https://www.cnbc.com/2021/04/25/jeff-bezos-is-obsessed-with-a-common-amazon-warehouse-injury.html>
- <https://www.cnbc.com/2021/06/01/study-amazon-workers-injured-at-higher-rates-than-rival-companies.html>
- <https://www.dailymail.co.uk/news/article-9644203/Amazon-warehouse-workers-seriously-injured-higher-rate-workers-competing-companies.html>
- <https://www.deseret.com/u-s-world/2021/6/1/22463383/amazon-warehouse-more-dangerous-osha-the-washington-post>
- <https://www.fastcompany.com/90647379/9-devastating-takeaways-from-nyts-massive-report-on-amazon-workers-during-the-pandemic>
- <https://www.forbes.com/sites/niallmccarthy/2021/06/08/amazon-warehouse-injuries-significantly-higher-than-competitors-infographic/>
- <https://fortune.com/2021/06/11/amazon-national-safety-council-partnership-warehouse-conditions/>
- <https://www.kare11.com/article/news/health/study-finds-extreme-worker-injury-rates-at-amazon-warehouses-in-mn/89-362ebc00-f2b0-47f5-811a-32fa0f81a5ce>

⁴² <https://www.buzzfeednews.com/article/carolineodonovan/amazon-next-day-delivery-deaths>

⁴³ <https://www.businessinsider.com/amazon-one-day-shipping-promise-snap-2019-7>, at 8-10

- <https://ktoe.com/2021/12/14/amazon-warehouse-workers-decry-high-rate-of-workplace-injuries/>
- <https://www.kuow.org/stories/regulators-say-amazon-obstructed-investigations-into-warehouse-safety-violations>
- <https://www.marketplace.org/shows/marketplace-tech/happy-holidays-worker-injuries-spike-at-amazon-warehouses-seasonally-data-shows>
- <https://www.motherjones.com/politics/2019/03/amazon-workers-compensation-amcare-clinic-warehouse/>
- <https://www.msnbc.com/opinion/amazon-s-wellness-huddles-are-freaking-me-out-n1288200>
- <https://newrepublic.com/article/163588/amazon-warehouse-algorithms-injuries-california-bill>
- <https://news.trust.org/item/20210319120214-n93hk/>
- <https://www.npr.org/2019/11/27/783223343/amazon-warehouse-employees-face-serious-injuries-report-says>
- <https://nypost.com/2021/06/14/amazon-tests-warehouse-robots-it-claims-will-reduce-worker-injuries/>
- <https://www.post-gazette.com/news/state/2021/07/08/Pa-s-Amazon-workers-have-almost-twice-as-many-serious-injuries-as-other-warehouse-workers-here/stories/202107080147>
- <https://prospect.org/economy/warehouse-space-race/>
- <https://www.protocol.com/workplace/amazon-warehouse-quota-bill-washington>
- <https://www.reuters.com/business/retail-consumer/amazon-discloses-staff-injury-rates-showing-where-it-is-worse-or-better-than-2022-01-24/>
- <https://www.seattletimes.com/business/amazon/amazons-relentless-pace-is-violating-the-law-and-injuring-warehouse-workers-washington-state-regulator-says/>
- <https://www.seattletimes.com/business/amazon/amazon-delivery-drivers-are-injured-more-often-than-the-companys-warehouse-workers/>
- <https://techcrunch.com/2020/09/29/serious-injuries-at-amazon-fulfillment-centers-topped-14000-despite-the-companys-safety-claims/>
- <https://www.theatlantic.com/technology/archive/2019/11/amazon-warehouse-reports-show-worker-injuries/602530/>
- <https://theconversation.com/black-friday-for-amazon-workers-the-human-costs-behind-consumer-convenience-169760>
- <https://www.thedailybeast.com/amazon-the-shocking-911-calls-from-inside-its-warehouses>
- <https://www.theguardian.com/technology/2018/jul/30/accidents-at-amazon-workers-left-to-suffer-after-warehouse-injuries>
- <https://thehill.com/policy/technology/556287-amazon-injury-rate-well-above-warehouse-standard-report>
- <https://theintercept.com/2019/12/02/amazon-warehouse-workers-safety-cyber-monday/>
- <https://theintercept.com/2021/03/25/amazon-drivers-pee-bottles-union/>
- <https://www.the-sun.com/news/4217371/quit-amazon-injury-stand-all-day-life-heavy-box/>
- <https://www.theverge.com/2021/6/1/22463132/amazon-injury-rate-warehouses-osha-data-report>

- <https://www.theverge.com/2018/4/16/17243026/amazon-warehouse-jobs-worker-conditions-bathroom-breaks>
- <https://www.tuc.org.uk/sites/default/files/2020-10/Challenging%20Amazon%20%28final%29.pdf>
- https://uniglobalunion.org/wp-content/uploads/amazon_panopticon_en_final.pdf
- <https://www.usatoday.com/in-depth/opinion/voices/2021/06/09/amazon-distribution-center-employee-safety-industry-orders-pressure/7584078002/>
- <https://www.vox.com/identities/2019/10/18/20920717/amazon-shipping-workers-injuries>
- <https://www.wsj.com/articles/amazon-makes-push-to-reduce-worker-injuries-11621245602>
- <https://www.washingtonexaminer.com/news/amazon-warehouse-workers-seriously-injured-frequently-competitor-companies>
- <https://www.washingtonpost.com/technology/2021/06/01/amazon-osha-injury-rate/>

Coverage of these matters is not limited to print media. Television segments on KARE (Minnesota), PBS News Hour, CNBC, Denver 7, Late Night With Seth Myers, the Daily Show with Trevor Noah, and Late Night with John Oliver have discussed Amazon’s injury rates and the connection to productivity quotas.⁴⁴ John Oliver stated, “The more you look at Amazon, the more you realize that its convenience comes with a real cost, because . . . [faster delivery and lower prices] happened by creating a situation that squeezes the people lowest on the ladder—hard.”⁴⁵

Amazon’s high injury rate has grabbed the attention of federal and state lawmakers. Members of Congress have written to Amazon and OSHA about warehouse conditions:

- In 2019, a group of 13 members of Congress, including two presidential candidates, asked OSHA to investigate Amazon’s warehouses, citing “the breadth and severity of past violations as well as mounting public revelations of brutal and hazardous working conditions.”⁴⁶
- Later that year, Senator Bernie Sanders and Ilhan Omar asked OSHA to provide Amazon’s 2016, 2017 and 2018 injury reports.⁴⁷
- Senators Elizabeth Warren and Edward Markey, together with Congressman Joseph Kennedy, wrote to then-CEO Jeff Bezos in 2020 expressing concern over Amazon’s safety record. The letter stated, “We are gravely concerned that, as evidence mounts of unsafe working conditions for Amazon warehouse workers, Amazon’s response continues to be to

⁴⁴ See <https://www.youtube.com/watch?v=G3A7of1yVzM&t=20s>; <https://www.pbs.org/newshour/show/amazon-doesnt-report-its-warehouse-injury-rates-but-we-have-an-inside-look>; <https://www.pbs.org/newshour/show/leaked-documents-show-how-amazon-misled-the-public-about-warehouse-safety-issues>; <https://www.cnbc.com/video/2021/06/01/a-closer-look-at-amazons-warehouse-injuries.html>; <https://www.thedenverchannel.com/news/investigations/colorado-amazon-employees-raise-serious-safety-concerns-claim-lack-of-proper-training>; <https://www.youtube.com/watch?v=d9m7d07k22A>; <https://www.pbs.org/newshour/show/leaked-documents-show-how-amazon-misled-the-public-about-warehouse-safety-issues><https://www.youtube.com/watch?v=x0PU3jz9jNQ>

⁴⁵ <https://www.youtube.com/watch?v=d9m7d07k22A>

⁴⁶ <https://omar.house.gov/media/press-releases/senator-sanders-and-rep-ilhan-omar-lead-group-dozen-law-makers-calling>

⁴⁷ <https://www.sanders.senate.gov/wp-content/uploads/osha-letter.pdf>

roll out PR campaigns and misrepresent workers' injury risk to Congress and the public rather than implement meaningful changes that protect workers.”⁴⁸

- That same year, a group of 15 Senators led by Bernie Sanders, Sherrod Brown, and Tammy Baldwin, sent a letter to Amazon, asserting that reports regarding the Company's injury rates “make clear that by placing such a priority on speed and quota fulfillment, your company requires employees to risk their safety and health to perform and keep their jobs” and asking Amazon to reduce quotas and stop treating bathroom breaks as time off task.⁴⁹

The Senate Budget Committee held a hearing in March 2021 on “The Income and Wealth Inequality Crisis in America.”⁵⁰ A worker from Amazon's Bessemer, Alabama warehouse testified. She stated, “You are constantly being watched and monitored. They seem to think you are just another machine. . . We have to keep up with the pace. My workday feels like a 9-hour intense workout every day. And they track our every move – if your computer isn't scanning, you get charged with being time-off-task.”⁵¹

State and local officials have also taken action. Forty-two New York City elected officials sent a letter in 2019 demanding that Amazon improve conditions for workers, citing high injury rates at its Staten Island warehouse.⁵² Legislation addressing productivity quotas and worker surveillance has been introduced in several states:

- California legislation enacted last year requires written disclosure of productivity quotas and bars warehouse employers from “taking adverse action against an employee for failure to meet a quota . . . that does not allow a worker to comply with meal or rest periods or occupational health and safety laws.”⁵³
- A bill introduced last year in Illinois would limit the use of electronically-collected data in decisions about worker discipline.⁵⁴
- A data privacy bill introduced last year in Massachusetts would limit employers' ability to digitally monitor employees.⁵⁵
- Already this year, bills similar to California's legislation were introduced in Washington,⁵⁶ New Hampshire,⁵⁷ and Minnesota.⁵⁸

⁴⁸ <https://www.documentcloud.org/documents/7231445-2020-10-14-Letter-to-Mr-Bezos-From-Senators.html>

⁴⁹ <https://www.sanders.senate.gov/press-releases/sanders-brown-baldwin-demand-answers-from-amazon-as-work-related-injuries-rise/>

⁵⁰ <https://www.budget.senate.gov/hearings/the-income-and-wealth-inequality-crisis-in-america>

⁵¹ <https://www.budget.senate.gov/imo/media/doc/Jennifer%20Bates%20-%20Testimony%20-%20U.S.%20Senate%20Budget%20Committee%20Hearing.pdf>

⁵² <https://www.nysenate.gov/newsroom/in-the-news/michael-gianaris/politico-new-york-dozens-elected-officials-urge-amazon-improve>

⁵³ https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB701

⁵⁴ <https://inthesetimes.com/article/at-will-just-cause-employment-union-labor-illinois>

⁵⁵ <https://www.data-sentinel.com/resources/massachusetts-pending-data-privacy-law-could-be-a-real-game-changer-in-the-world-of-data-security>

⁵⁶ <https://lawfilesexxt.leg.wa.gov/biennium/2021-22/Pdf/Bills/Senate%20Bills/5891.pdf?q=20220118135119>

⁵⁷ <https://www.nhbr.com/new-hampshire-house-bill-targets-distribution-centers-that-use-quotas/>

⁵⁸

https://www.revisor.mn.gov/bills/text.php?number=HF2774&version=latest&session=92&session_number=0&session_year=2021

In sum, the abundant media coverage, attention from public health organizations and practitioners, and legislative initiatives establish that the Proposal addresses a consistent subject of widespread public debate.

Amazon's reliance on the 2020 determination in *Amazon.com*⁵⁹ ("Amazon 2020") is misplaced. In that determination, the Staff allowed exclusion on ordinary business grounds of a proposal asking Amazon to report on the steps it had taken to reduce the risk of accidents, including board oversight of safety, staffing levels, and inspections and maintenance of the company's facilities and equipment and that of its contractors. Amazon had argued that a company's safety initiatives are a matter of ordinary business. The proponent urged that the proposal addressed several significant social policy issues: the sustainability of Amazon's business model, board oversight, and the "digital transformation" of the nation's economy and the social costs it imposes. Importantly, the Amazon 2020 proponent did not argue, as the Proponents do here, that Amazon's high injury rates and turnover, and the relationship between those phenomena and quotas and worker surveillance, qualify as a significant social policy issue.

As well, the Amazon 2020 determination was issued less than three weeks after COVID-19 was declared a pandemic. At that time, worker health and safety had a much lower profile than it does now; many of the articles, studies and initiatives the Proponents cite above had not yet been issued or proposed. The timing of the proposal and no-action correspondence locked the Amazon 2020 proponent into language that did not reflect the pandemic's impact. The Staff recognized that fact in its determination, stating: "Although the Proponents' last correspondence attempts to shift the focus of the Proposal to the Company's efforts to mitigate health risks during the current coronavirus pandemic, the Proposal, which was submitted on December 6, 2019, focuses on workplace accidental injuries. As such, the Proposal's focus remains on an ordinary business matter and does not address a matter that may transcend ordinary business."

Similarly, the *Pilgrim's Pride*,⁶⁰ *Chemours*⁶¹ *CNF*,⁶² and *Chevron*⁶³ determinations Amazon cites, which involved proposals on workplace safety, were issued at a time when far less public debate was occurring about the issue than is now the case. They also pre-dated the November 2021 issuance of Staff Legal Bulletin 14L, which singled out "human capital management issues with a broad societal impact" as an example of a potentially significant social policy issue. Given Amazon's dominance in the e-commerce market, and its influence over the logistics industry, its use of productivity quotas and surveillance, and the impact of those practices, qualifies as a significant social policy issue.

Amazon also cites⁶⁴ a number of other determinations in which the Staff allowed exclusion on ordinary business grounds of proposals that dealt with health and safety or workforce management, but none of those proposals involved a significant policy issue. Many of them addressed the kinds of day-to-day management issues for which the ordinary business exclusion was designed; for example, the proposal in *Starwood*⁶⁵ sought to control the company's process for

⁵⁹ *Amazon.com, Inc.* (Apr. 1, 2020), *recon. denied* (Apr. 9, 2020).

⁶⁰ *Pilgrim's Pride Corp.* (Feb. 25, 2016)

⁶¹ *The Chemours Co.* (Jan. 17, 2017).

⁶² *CNF Transportation Inc.* (Jan. 26, 1998)

⁶³ *Chevron Corp.* (Feb. 22, 1988)

⁶⁴ *See* No-Action Request, at 5-7.

⁶⁵ *Starwood Hotels & Resorts Worldwide, Inc.* (Feb. 14, 2012)

confirming employment eligibility. The proponents of the Donaldson Company⁶⁶ proposal did not respond to the company's no-action request, and the Intel⁶⁷ proponent responded but did not argue that his proposal on an "Employee Bill of Rights" addressed a significant policy issue. And the Division was unpersuaded that inequitable employment practices, outsourcing, the use of incarcerated workers in the supply chain (and the relationship between systemic racism and such use), the high-performance workplace, the nexus between leave policies and employment discrimination, and the reduction-in-force review process, cited by the proponents of the proposals at issue in the determinations on pages 5-7 of the No-Action Request, were significant policy issues. Those determinations, then, do not stand for the proposition that a proposal addressing a significant policy issue, as the Proposal does, is excludable simply because it addresses or relates to worker health and safety or the company's management of its workforce.

Finally, the Proposal does not focus on ordinary business matters despite touching on or referencing a significant policy issue, as Amazon claims.⁶⁸ In the determinations Amazon cites on page 8-9 of the No-Action Request, the proposals' requests strayed from the putative significant policy issues. For example, in Union Pacific,⁶⁹ the proposal asked the company to report on its efforts to safeguard the security of its operations "arising from a terrorist attack and/or other homeland security incidents." The company argued that homeland security incidents may include occurrences other than terrorism such as natural disasters, which are not significant social policy issues, and the staff concurred that the proposal was excludable. Likewise, in PetSmart,⁷⁰ the proposal asked the company to require its suppliers to attest that they had not violated certain laws. PetSmart pointed out that the laws in question governed not only animal cruelty, a significant policy issue, but also mundane matters such as record keeping. The Staff concurred and granted relief, citing the breadth of the laws referenced in the proposal. In contrast, the Proposal exclusively addresses a significant social policy issue.

In sum, Amazon is not entitled to exclude the Proposal on ordinary business grounds because the Proposal addresses a significant social policy issue transcending ordinary business, as evidenced by consistent and widespread public debate in the media and among state and federal policy makers. Although the Division has in the past allowed omission of proposals dealing with worker health and safety, the public debate over that topic—and Amazon's role in particular—has intensified greatly over the past few years, especially since the onset of the COVID-19 pandemic, which highlighted the importance of worker protections.

Substantial Duplication

Rule 14a-8(i)(11) allows exclusion of a proposal that is "substantially duplicative of a proposal previously submitted to the registrant by another proponent, which proposal will be included in the registrant's proxy material for the meeting." The adopting release for the exclusion explained that it was adopted "to eliminate the possibility of shareholders having to consider two or

⁶⁶ Donaldson Company Inc. (Sept. 13, 2006)

⁶⁷ Intel Corporation (Mar. 18, 1999)

⁶⁸ No-Action Request, at 8.

⁶⁹ Union Pacific Corp. (Feb. 25, 2008)

⁷⁰ PetSmart, Inc. (Mar. 24, 2011)

more substantially identical proposals . . .” Considering such “redundant” proposals, the Commission stated, would serve “no useful purpose.”⁷¹

Amazon urges that the Proposal substantially duplicates an earlier-submitted proposal that will appear in the Company’s proxy statement (the “Prior Proposal”). The Prior Proposal asks Amazon to “commission an independent audit and report of the working conditions and treatment that Amazon warehouse workers face, including the impact of its policies, management, performance metrics, and targets.”

Amazon claims that the “traditional” standard for analyzing substantial duplication is whether the proposals share a “principal thrust” or “principal focus,” and argues that it is entitled to exclude the Proposals because they both share the same underlying concerns. But the Pacific Gas & Electric Company (“PG&E”)⁷² determination Amazon cites did not supersede the Commission’s own approach to applying the exclusion and does not support Amazon’s overbroad approach.

In PG&E, the Staff was considering whether any of three later-received proposals substantially duplicated the first-received proposal. All four proposals dealt with compensation, with the first-received asking that non-salary compensation of management be tied to performance, while the second-received requested a ceiling on total compensation of officers and directors. The Staff allowed PG&E to exclude as substantially duplicative a third proposal asking that the CEO’s total compensation be tied to company performance, which was nearly identical to the first proposal.

The Staff did not agree with PG&E’s view that the second proposal substantially duplicated the first. The second proposal specifically sought the “reduction and imposition of ceilings on total compensation of executive officers and directors”—in other words, to affect *how much* they were paid—and thus its “principal thrust” was different from the first proposal’s “principal focus” on tying pay to performance, which wouldn’t necessarily affect the amount paid. The Staff used “principal thrust” and “principal focus” to emphasize the differences between the proposals; it did not introduce a new interpretive approach, nor could it override the Commission’s own articulation of the standard in its 1976 release. It is worth noting that the Staff has not used the “principal thrust” and “principal focus” language in determinations applying Rule 14a-8(i)(11) since the PG&E letter, despite reliance on that letter and use of that language by companies seeking relief.

There are significant differences between the Proposal and Prior Proposal. The Proposal focuses specifically on Amazon’s use of quotas and worker surveillance. The Prior Proposal, by contrast, asks generally for a report on the “working conditions and treatment” that Amazon warehouse workers face, including the impact of the Company’s “policies, management, performance metrics, and targets.” As well, the Prior Proposal’s scope is limited to warehouse workers, while the Proposal would apply to Amazon’s whole workforce, which includes subcontracted workers like delivery drivers. The Proposal asks that Amazon’s audit be informed by a range of stakeholders including workers and experts; the Prior Proposal contains no such suggestion. Finally, the Proposal, but not the Prior Proposal, asks that the requested audit take into account external factors such as legislative and regulatory activities. Given this lack of meaningful overlap, the Proposal and Prior Proposal are not so similar that “no useful purpose” would be served by shareholders voting on them both.

⁷¹ Exchange Act Release No. 12999 (Nov. 22, 1976).

⁷² Pacific Gas & Electric Company (Feb. 1, 1993).

Amazon identifies common concerns behind the Proposal and Prior Proposal as “injury rates, employee turnover, and unionization,” which Amazon argues mean the proposals share a principal focus.⁷³ But the fact that two proposals reflect or were motivated by common concerns does not compel the conclusion that they are substantially duplicative. The absurdity of that approach can be illustrated by considering whether a proposal seeking board declassification and another asking the company to adopt a majority vote standard for director elections would substantially duplicate each other if both supporting statements focused on the need for greater accountability of directors to shareholders. In the Proponents’ view, the “principal focus” and “principal thrust” language, to the extent it is viewed as supporting exclusion based on “common concerns,” is at odds with the Commission’s approach to analyzing substantial duplication.

The Staff recently denied relief to Amazon on substantial duplication grounds despite significantly greater potential overlap between the proposals than is present here. In *Amazon.com*,⁷⁴ an earlier-received proposal asked the board to commission a study regarding the likelihood that the company’s facial recognition technology Rekognition “may endanger, threaten or violate privacy and/or civil rights, and unfairly or disproportionately target or surveil people of color, immigrants and activists” and the risks stemming from use of Rekognition by authoritarian or repressive governments. The later-received proposal asked the board to commission a study “assessing Amazon’s process for customer due diligence, to determine whether customers’ use of its surveillance and computer vision products or cloud-based services contributes to human rights violations.”

Amazon argued that “the principal thrust and focus of the Proposal and the Prior Proposal are the same: an independent report on the Company’s process for reviewing customers of certain computer vision and cloud-based facial recognition technologies with a focus on potential human rights implications of such customers’ use of the technologies.” Amazon highlighted the proposals’ common concerns about effects on human and civil rights, including use of facial recognition technology in immigration enforcement, and disparate racial impacts. Amazon acknowledged that the later-received proposal did not specifically identify Rekognition, but argued that its reference to “surveillance and computer vision products or cloud-based services” clearly encompassed that product. The Staff declined to grant relief.

The exclusive focus of the Proposal is the impact of quotas and surveillance on injury rates and turnover of Amazon’s entire workforce, whereas the Prior Proposal seeks more general information about working conditions only in Amazon’s warehouses. The Proposal asks that Amazon’s audit be informed by both consultation with stakeholders and external developments such as legislative and regulatory initiatives; the Prior Proposal mentions none of those factors. Accordingly, Amazon has not met its burden of showing that the Proposal substantially duplicates the Prior Proposal.

* * *

⁷³ No-Action Request, at 15

⁷⁴ *Amazon.com, Inc.* (Apr. 1, 2020).

For the reasons set forth above, Amazon has not satisfied its burden of showing that it is entitled to omit the Proposal in reliance on Rule 14a-8 (i)(7) or Rule 14a-8(i)(11). Accordingly, the Proponents respectfully request that Amazon's request for relief be denied.

The Proponents appreciate the opportunity to be of assistance in this matter. If you have any questions or need additional information, please contact me at (212) 217-1027.

Sincerely,

A handwritten signature in black ink that reads "Mary Beth Gallagher". The signature is written in a cursive, flowing style.

Mary Beth Gallagher
Director of Engagement
Domini Impact Investments LLC

Encl: Exhibit A: The Proposal Filing
Exhibit B: Amazon's No-Action Request

cc: Ronald O. Mueller, Esq.
RMueller@gibsondunn.com

Exhibit A:
The Proposal

Resolved

Shareholders of Amazon.com request that the Board of Directors commission an independent third-party audit on workplace health and safety, evaluating:

- productivity quotas,
- surveillance practices, and
- the effects of these practices on injury rates and turnover.

The audit should be conducted with input from employees, experts in workplace safety and surveillance, and other relevant stakeholders; informed by recent state legislation;¹ and address regulatory inquiry,² and media coverage.³ A report on the audit, prepared at reasonable cost and omitting confidential and proprietary information, should be publicly disclosed on Amazon's website.

Supporting Statement

The recent pandemic has brought increased media and congressional scrutiny to the well-being of Amazon's essential workers.⁴ This scrutiny has extended to workplace conditions, safety, and the high employee turnover rate (recently estimated at 150%).⁵ While Amazon plans to incur several billion dollars of additional costs in response to its labor shortage, practices that contribute to high turnover continue: productivity quotas and worker surveillance that result in above-average injury rates.⁶ Numerous studies have found similar trends at Amazon, including:

- In 2020 the serious injury rate at Amazon warehouses was nearly 80% higher than the warehouse industry average.⁷
- Injuries at Amazon facilities were more severe than those at other warehouses.⁸
- A recent case study found the equivalent of 1 in 9 workers at Amazon facilities was injured each year.⁹
- Injury rates at Amazon warehouses increased during peak season.¹⁰

¹ <https://www.npr.org/2021/09/08/1034776936/amazon-warehouse-workers-speed-quotas-california-bill>; <https://inthesetimes.com/article/at-will-just-cause-employment-union-labor-illinois>; <https://www.bostonglobe.com/2021/10/07/opinion/massachusetts-has-chance-clean-up-our-national-privacy-disaster/>

² <https://www.seattletimes.com/business/because-of-injury-claims-state-wants-amazons-automated-warehouses-to-pay-higher-workers-comp-premiums-than-meatpacking-or-logging-operations/>

³ <https://www.washingtonpost.com/technology/2021/06/01/amazon-osa-injury-rate/>

⁴ <https://www.nytimes.com/2021/12/01/podcasts/the-daily/amazon-pandemic-labor-shortage.html>

⁵ <https://www.nytimes.com/interactive/2021/06/15/us/amazon-workers.html>

⁶ <https://ir.aboutamazon.com/news-release/news-release-details/2021/Amazon.com-Announces-Third-Quarter-Results/default.aspx>

⁷ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>

⁸ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>

⁹ <https://s27147.pcdn.co/wp-content/uploads/Report-Injuries-Dead-End-Jobs-and-Racial-Inequity-in-Amazons-Minnesota-Operations-.pdf>

¹⁰ <https://revealnews.org/article/how-amazon-hid-its-safety-crisis>

- Amazon facilities with greater automated technology had above-average injury rates.¹¹
- Surveyed Amazon workers cited constant surveillance as a cause of stress, anxiety, and depression.¹²
- Amazon temporarily suspended some productivity metrics in 2020, in response to the pandemic. That year saw the first decline in Amazon’s injury rate in years.¹³

Workers and labor unions cite the above as motivating factors for organizing efforts at Amazon, and these concerns have brought significant scrutiny upon the company, including:¹⁴

- 15 U.S. Senators signed a letter calling on Amazon to address workplace health and safety issues linked to productivity rates.¹⁵
- Public health organizations and over 200 public health practitioners called on Amazon to suspend productivity quotas and workplace surveillance.¹⁶
- Washington state raised Amazon’s worker compensation premium rates by 15% and proposed placing fulfillment centers in their own risk class.¹⁷
- California passed a state bill regulating warehouse performance metrics.¹⁸

As Amazon strives to be “the Earth’s Safest Place to Work,”¹⁹ a review is needed of the practices that have made the company a leader in workplace injuries and a target for criticism and regulation. With surveillance and productivity quotas linked to high injury rates, we urge Amazon to commission an independent audit of these practices to understand their impact on the company’s employees and operations, and inform changes in practices that mitigate and prevent future harm.

¹¹ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>

¹² <https://humanimpact.org/wp-content/uploads/2021/01/The-Public-Health-Crisis-Hidden-In-Amazon-Warehouses-HIP-WWRC-01-21.pdf>

¹³ <https://thesoc.org/wp-content/uploads/2021/02/PrimedForPain.pdf>

¹⁴ <https://www.forbes.com/sites/laurendebter/2021/04/01/how-alabama-union-fight-could-change-amazon/>

¹⁵ <https://s3.documentcloud.org/documents/6772867/AmazonWorkerSafetyLetterFeb72020.pdf>

¹⁶ <https://humanimpact.org/wp-content/uploads/2021/11/Public-Health-Letter-to-Amazon-11-17-21.pdf>

¹⁷ <https://www.seattletimes.com/business/because-of-injury-claims-state-wants-amazons-automated-warehouses-to-pay-higher-workers-comp-premiums-than-meatpacking-or-logging-operations/>

¹⁸ <https://www.latimes.com/business/story/2021-09-08/california-bill-ab701-passes-senate-warehouse-work-metrics-algorithms-regulation>

¹⁹ https://s2.q4cdn.com/299287126/files/doc_financials/2021/ar/Amazon-2020-Annual-Report.pdf

March 18, 2022

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Amazon.com, Inc.*
Shareholder Proposals of Thomas Dadashi Tazehozi and
Domini Impact Equity Fund et al.
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter relates to the no-action request (the “No-Action Request”) submitted to the staff of the Division of Corporation Finance (the “Staff”) on January 24, 2022 on behalf of our client, Amazon.com, Inc. (“Amazon” or the “Company”), in response to (i) a shareholder proposal and statement in support thereof received from Thomas Dadashi Tazehozi (the “Tazehozi Proposal”) and (ii) a shareholder proposal and statement in support thereof (the “Domini Proposal” and, together with the Tazehozi Proposal, the “Proposals”) received from Domini Impact Equity Fund, SOC Investment Group, VCIM Global Equity Fund, Stichting Bewaarder Achmea Beleggingspools, Sisters of the Order of St. Benedict, Rock Island, IL, and Storebrand Asset Management.

The Tazehozi Proposal requests:
“that the Board of Directors commission an independent audit and report of the working conditions and treatment that Amazon warehouse workers face, including: the impact of its policies, management, performance metrics, and targets.”

The Domini Proposal requests:
“that the Board of Directors commission an independent third-party audit [and report] on workplace health and safety, evaluating:

- productivity quotas,
- surveillance practices, and
- the effects of these practices on injury rates and turnover.”

In the No-Action Request, the Company demonstrates that the Proposals are properly excludable from the Company’s proxy statement and form of proxy for its 2022 Annual Meeting of Shareholders (collectively, the “2022 Proxy Materials”) pursuant to

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Rule 14a-8(i)(7) because the Proposals relate to the Company's ordinary business operations. The No-Action Request also demonstrates in the alternative that, if the Staff does not concur that the Proposals may be excluded on the basis of Rule 14a-8(i)(7), the Domini Proposal may be excluded pursuant to Rule 14a-8(i)(11) because (i) the Domini Proposal substantially duplicates the Tazehozi Proposal; (ii) the Tazehozi Proposal was submitted to the Company before the Domini Proposal; and (iii) the Company expects to include the Tazehozi Proposal in the 2022 Proxy Materials if the Staff does not concur with the Company's request for exclusion under Rule 14a-8(i)(7).

Subsequently, Sanford J. Lewis submitted a letter, dated February 28, 2022, on behalf of Mr. Tazehozi setting forth arguments opposing the No-Action Request (the "Tazehozi Response Letter"). In a letter dated March 8, 2022, Domini Impact Equity Fund sets forth additional arguments opposing the No-Action Request (the "Domini Response Letter" and together with the Tazehozi Response Letter, the "Response Letters").

FACTUAL BACKGROUND

Both Response Letters, as with the Proposals, are premised on inaccurate, outdated, and mischaracterized information. While it is true that Amazon is one of the largest private employers in the U.S. and is a leader in setting wages and providing benefits to its employees,¹ a balanced presentation of the facts relating to the Company's operations demonstrates that the health and safety reviews sought by the Proposals do not address unique circumstances that transcend ordinary business operations.

Notably, neither of the Response Letters mentions the Company's workplace safety website² or its safety report, "Delivered with Care: Safety, Health, and Well-Being at Amazon" (the "Safety Report").³ The Safety Report sets forth facts that dispel common misconceptions about work and safety conditions at Amazon. Specifically, the Safety Report sets forth data for the Company's U.S. and global fulfillment, sorting, logistics, and retail stores, and compares that data to a number of industries.⁴ It reports that nearly 45% of work-related

¹ See <https://www.wsj.com/articles/amazon-emerges-as-the-wage-and-benefits-setter-for-low-skilled-workers-across-industries-11638910694>, cited in n.4 of the Domini Response Letter.

² See <https://www.aboutamazon.com/workplace/safety>.

³ Available at <https://safety.aboutamazon.com/delivered-with-care>.

⁴ Safety Report at 11. The data excludes performance data from the Company's corporate offices, call centers, and at Amazon Web Services, which would lower reported injury rates.

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injuries at the Company are related to musculoskeletal disorders (MSDs), which include carpal tunnel syndrome, tendinitis, muscle strains, and lower back injuries.⁵ As reflected on pages 11 and 12 of the Safety Report, the Company's 2020 Lost Time Incident Rate—a measure of the number of injuries and illnesses that result in time away from work—was 2.3 globally and 2.6 in the United States (per 200,000 working hours), while its Recordable Incident Rate—which measures how often an injury or illness occurs at work—was 5.1 globally and 6.5 in the United States in 2020. The Safety Report shows the U.S. rates were only slightly higher than rates within the general warehousing and storage industry, were lower than those among couriers and express delivery services, and were generally comparable to those of various retail businesses.

The Tazehozi Response Letter also repeats misinformation regarding the devastating tornado that struck a Company delivery station in Illinois on the night of December 10, 2021, claiming that the National Weather Service had issued a tornado warning for the area 36 hours before the tornado touched down. Instead, the Storm Prediction Center (under the National Weather Service) issued a tornado *watch* at 3:00 pm on December 10 for a seven-state area. Tornado *watch* announcements are much more common than tornado warnings and do not indicate that a tornado, or even severe weather, has been reported. Additional information regarding this incident is set forth in the letter attached as Exhibit A hereto.

The Safety Report also describes how the Company utilizes technology to enhance the safety and engagement of its employees. For example, the Company's Safety Leadership Index enables employees to use computers, workstations, or hand scanners to anonymously share their daily perceptions of safety, helping managers gauge safety sentiment at their site and take targeted action for improvement. In 2021, the Company received the prestigious Green Cross for Safety Innovation Award from the National Safety Council for its innovative Collision Avoidance Technology, which enables fork trucks to sense the distance between vehicles and people and structures, so the vehicles can slow down or stop to avoid collisions. As well, the Safety Report documents that in 2021, less than 0.4% of employees were separated due to their inability to perform their jobs and 83% of employee coaching in 2021 was positive and was provided to employees who were meeting or exceeding expectations.

⁵ Safety Report at 14.

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LEGAL ANALYSIS

The Tazehozi Response Letter

Consistent with Exchange Act Release No. 40018 (May 21, 1998) (the “1998 Release”) and Staff Legal Bulletin No. 14L (Nov. 3, 2021), proposals relating to workforce management but focusing on sufficiently significant social policy issues, such as discrimination, harassment, and human rights, generally would not be excludable. The Proposals do not focus on these issues, however, and thus are distinguishable from the precedents cited in the Tazehozi Response Letter. The Tazehozi Response Letter’s attempt to recharacterize the Tazehozi Proposal as involving human rights is unfounded. Neither the Tazehozi Proposal nor its supporting statement have any reference to human rights. Moreover, while the Company views any workplace incident seriously, there is no basis to characterize the range of health and safety matters encompassed by the Proposals as implicating human rights issues.⁶

Similarly, the claim in the Tazehozi Response Letter that the audit requested by the Tazehozi Proposal “is no more intrusive and no less appropriate than [a] civil rights or racial equity audit proposal” and that the process for such audit would be similar to that of a racial equity audit, is simply not relevant. As with proposals requesting the preparation of a report, the formation of a committee, and the evaluation of risks, the Staff’s analysis under Rule 14a-8(i)(7) is whether the underlying subject matter of a proposal involves a matter of ordinary business to the company.⁷ Here, the Tazehozi Response Letter has failed to identify a basis for treating a proposal that relates to working conditions and employee health and safety as transcending the ordinary business operations of the Company, and failed to identify a significant social policy issue with a broad societal impact that is addressed by the actual language of the Tazehozi Proposal.

The Domini Response Letter

The Domini Response Letter asserts that “consistent and widespread public debate in the media and among state and federal policy makers” has converted workplace health and safety into an issue with a broad societal impact, such that it transcends the ordinary business of the company. We respectfully disagree, as workplace health and safety have long been topics subject to legislation and regulatory action, as well as media scrutiny, as shown by the

⁶ As noted above, nearly 45% of work-related injuries at the Company are related to MSDs.

⁷ Cf. Staff Legal Bulletin 14E, part B (Oct. 27, 2009).

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precedents discussed on pages 5 and 6 of the No-Action Request. Here, the Proposals do not address broad societal issues such as racial equity, discrimination, or harassment, but instead relate to aspects of managing working conditions and workplace health and safety across widely diverse and complex operations, in effect asking for an outside party to look over management's shoulder at how the Company is being operated. Managing "working conditions and treatment that [Company] warehouse workers face" and "workplace health and safety" are exactly the types of "ordinary business problems" that the 1998 Release properly characterized as "fundamental to management's ability to run a company on a day-to-day basis." Given the absence of an issue with broad societal impacts, the Proposals are properly excludable under Rule 14a-8(i)(7).

In addressing the substantial duplication argument under Rule 14a-8(i)(11), the Domini Response Letter completely ignores the fact that the Domini Proposal requests an audit "on workplace health and safety." Instead, the Domini Response Letter claims that "[t]he exclusive focus of the [Domini] Proposal is the impact of quotas and surveillance on injury rates and turnover of Amazon's entire workforce." As set forth in more detail on pages 12 through 15 of the No-Action Request, among other substantially identical aspects of the Proposals and their supporting statements, both ask the Company's Board to commission an independent audit, both specifically call out the Company's performance expectations and workplace monitoring as areas to be evaluated, and both express concern on workplace health and safety and employee turnover.⁸ Thus, regardless of whether applying a "substantially identical proposal" test, examining the principal thrust and focus of the Proposals and their supporting statements, or assessing their common concern, it is clear that the Domini Proposal substantially duplicates the Tazehozi Proposal within the meaning of Rule 14a-8(i)(11).

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposals from its 2022 Proxy Materials, and we respectfully request that the Staff concur that the Proposals may be excluded under Rule 14a-8(i)(7), and if the Staff does not concur with exclusion of the Proposals pursuant to Rule 14a-8(i)(7), that the Domini Proposal properly may be excluded pursuant to Rule 14a-8(i)(11) as substantially duplicative of the Tazehozi Proposal.

⁸ The Domini Proposal and its supporting statement refer to the Company's "employees" in three places and do not refer to subcontracted workers or other workers who are employed by independent contractors.

GIBSON DUNN

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Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671, or Mark Hoffman, the Company's Vice President & Associate General Counsel, Corporate and Securities, and Legal Operations, and Assistant Secretary, at (206) 266-2132.

Sincerely,



Ronald O. Mueller

cc: Mark Hoffman, Amazon.com, Inc.
Antoine Argouges, Tulipshare Ltd.
Thomas Dadashi Tazehozi
Mary Beth Gallagher, Domini Impact Investments LLC
Richard Clayton, SOC Investment Group
Kelly Hirsch, Vancity Investment Management
Daphne van den Hazel, Achmea Investment Management B.V.
Sister Ruth Ksycki, Sisters of the Order of St. Benedict, Rock Island, IL
Bård Bringedal, Storebrand Asset Management

EXHIBIT A



January 3, 2022

The Honorable Elizabeth Warren
United States Senate
309 Hart Senate Office Building
Washington, DC 20150

The Honorable Cori Bush
United States House of Representatives
563 Cannon House Office Building
Washington, DC 20515

The Honorable Alexandria Ocasio-Cortez
United States House of Representatives
216 Cannon House Office Building
Washington, DC 20515

Dear Senator Warren and Representatives Bush and Ocasio-Cortez,

This is in response to your December 20, 2021 letter regarding the devastating tornado that struck an Amazon delivery station in Edwardsville, Illinois, on December 10. Tragically, despite the heroic efforts of the team, we lost six members of our Amazon family. We will never forget those who were lost in this disaster—DeAndre Morrow, Kevin Dickey, Clayton Cope, Etheria Hebb, Larry Virden, and Austin McEwen.

From the beginning, our focus has been on supporting our employees and partners, the families who lost loved ones, the surrounding community, and all of those affected by the tornadoes. That effort has included providing relief supplies, services, and food, and donating \$1 million to the Edwardsville Community Foundation. We have also launched a disaster relief fund, administered by the Emergency Assistance Foundation (EAF), to provide our employees and partners grants for expenses related to housing, transportation, and other immediate needs such as food and clothing. This is in addition to working directly with our team, affected employees and partners, and their families to support them through this challenging time.

Safety is our top priority. We have nearly 8,000 safety professionals who use Amazon's innovation, technology, and data insights to keep our employees safe. We invested more than \$300 million on safety in 2021 alone. All Amazon employees, whether they are with us full-time, part-time, or just for a season, receive extensive safety training on their first day and throughout their time with the company. This includes training on weather events, which can be unpredictable and severe. With that background context, our answers to your questions regarding the incident are as follows:

- 1. What was the worker structure at the Edwardsville warehouse in December 2021?**
 - a. How many workers at the warehouse were Amazon employees?**
 - i. What is the median time that these employees had been working for the company?**
 - ii. What percentage are part-time versus full-time workers?**
 - b. How many workers at the warehouse were contractors?**
 - c. How many workers worked for Delivery Service Partners?**

The building directly impacted by the tornado is a delivery station that opened in July 2020. Delivery stations prepare orders for last-mile delivery to our customers. The Edwardsville facility is approximately 600,000 square feet, and has 190 employees with varied tenure, 79 percent of whom are full-time employees. The delivery station also works with five locally-owned small business Delivery Service Partners (DSPs), who employ approximately 350 delivery associates (DAs) that deliver packages from the site. DSPs are independent businesses whose owners hire, train, develop, and manage a team of 40-100 DAs and run a fleet of 20-40 vans, on average. Amazon Flex is the delivery program through which individuals pick up and deliver packages using their own vehicles and can choose work that fits their schedule. There were 50 scheduled Amazon Flex routes at the Edwardsville facility on December 10.

- 2. What internal communication took place between Amazon (corporate) and Amazon workers and franchise company workers in your Edwardsville warehouse on December 9 and 10, 2021?**
 - a. How did you communicate with workers, contractors, and franchises?**
 - b. Did Amazon require workers in the Edwardsville warehouse to remain at work despite the issuance of the tornado warning?**
 - c. Did you provide any guidance or flexibility to workers and contractors regarding not coming into work or leaving work early given the tornado warning?**
 - d. Did workers from the Edwardsville warehouse ask permission from their supervisors to go home? If so, what was the response?**
 - e. Were franchise shipping companies directed or given flexibility to stop – or told to continue – pickups from the Edwardsville warehouse?**

It is important to clarify at the outset the difference between a tornado watch announcement and a tornado warning. Your letter states that there was a tornado warning 36 hours before the tornado struck the Edwardsville facility. The Storm Prediction Center (under the National Weather Service) issued a tornado *watch* at 3:00pm on December 10 for a seven-state area, including portions of Southern Illinois. Tornado watch announcements are much more common than tornado warnings and do not indicate that a tornado, or even severe weather, has been reported. When there is a tornado watch announcement, Amazon follows local guidance and takes steps to protect our teams based on the information available to us at the time. A tornado warning, on the other hand, requires immediate action. Occupational Safety and Health Administration (OSHA) guidelines clearly state to take shelter when there is a tornado warning.

As is standard practice, OSHA is currently investigating the events of December 10, and Amazon is cooperating fully with that inquiry while also conducting its own internal investigation. These investigations are ongoing and will not be completed for many months, but we want to be responsive to your request and share what we have learned thus far. Upon receiving the tornado warning from the National Weather Service at 8:06pm, site leaders immediately implemented the facility's emergency action plan for a tornado. Our team utilized direct communications, oral and electronic, to instruct employees to shelter-in-place. At the same time, we also began communicating with the DSPs (DSPs are not franchises) to advise that they instruct their DAs to shelter-in-place or seek shelter and stop delivering for the evening. To our knowledge, we do not have information about Amazon employees at this station asking permission to go home. DSPs were informed and were asked to have their drivers shelter-in-place.

- 3. What are your policies on fire, tornado, and severe weather safety at your warehouses?**
 - a. What specific, formal tornado safety protocols were in place at the Edwardsville facility?**
 - b. Were all of these protocols followed during the December 10 tornado?**
 - c. How often are safety drills performed?**
 - d. When were the last fire, tornado, and severe weather drills performed at the Edwardsville warehouse?**
 - e. What is the impact of your company's high worker turnover on ensuring these trainings are up to date for all workers? How do you ensure that all workers receive these trainings?**
 - f. Were the company's safety practices and standards regarding tornado safety modified in any way after the 2018 Baltimore tornado?**

The Edwardsville delivery station had an Emergency Action Plan (EAP) that describes the processes, procedures, and training we use to keep everyone safe in the event of an emergency, including weather, fire, active shooters, hazardous material, and other dangerous events. We monitor weather patterns and alert team members in the event of severe weather using local weather alerts and Kepler 51. Kepler 51 is a data analytics company that specializes in using data solutions to reduce road accidents by identifying increased risk to safety or reduced mobility. On December 10, the program provided real-time alerts to staff on site before and during the tornado watch and warning, allowing site leaders to implement shelter protocols before the tornado struck the building. Our global security team also monitors and provides severe weather updates from various sources to sites.

As mentioned above, Amazon is currently conducting an internal investigation, in addition to supporting the OSHA investigation. At this time, we believe that our protocols were followed in accordance with OSHA standards and guidance, and Amazon training.

In compliance with OSHA's Emergency Action Plan standard, 29 C.F.R. § 1910.38(e)-(f), Amazon employees are trained on their site EAP, including the requirements for training initially upon onboarding and on an annual basis. Additionally, delivery partners operating out of the Edwardsville facility are given an onboarding safety orientation to help them become familiar with their surroundings, including what to do in case of an accident or emergency. Amazon requires all DSPs to comply with applicable laws and Amazon safety policies.

Regarding this weather incident and any others that have affected buildings across our network, we continually evaluate our safety programs and make significant investments in technology, such as the Weather Warning Systems, preparation, injury/illness prevention, and other areas. We follow all local, state, and federal regulations and change our operations and practices whenever required or recommended by public officials. The Edwardsville facility conducted two emergency drills on July 14 and October 28, 2021. In addition, the site conducted an emergency drill for building evacuation for fire/heat on August 3, 2021.

- 4. What is your current policy on warehouse workers having personal phones with them during their shift? What are your future plans on this topic?**

As was the case on December 10, our personal mobile phone policy allows for employees to keep their mobile phones with them while working for emergency use. We continually evaluate our policies and have shared with our employees that this policy will not change until further notice.

5. **What wind-related building code standards did the Edwardsville warehouse meet?**
 - a. **Did the warehouse have a “hardened” safe room that could withstand tornado winds and protect workers from falling debris?**
 - b. **If so, how many workers could fit in the safe room? Was the safe room used during the December 10 tornado?**
 - c. **Were Amazon’s building-related standards regarding tornado safety modified in any way after the 2018 Baltimore tornado?**

The building was constructed by TriStar Companies in compliance with International Building Code (IBC) standards and local jurisdictional requirements. The IBC and local jurisdictional requirements standards required a building of this type to withstand 90 mph winds, and the building permit was approved having met those requirements. The National Weather Service’s preliminary report found the tornado that struck the Amazon facility on December 10 was estimated to have wind speeds of up to 150 miles per hour.

Amazon follows OSHA’s § 1910.38 requirements for Emergency Action Plans (EAP) and establishes Severe Weather Assembly Areas—locations with signage in all buildings for individuals on site to assemble during severe weather events. These areas are sized and chosen to accommodate all individuals on the premises.

The term “safe room” is a Federal Emergency Management Agency (FEMA) term, describing a room that provides near-absolute protection, based on FEMA’s current knowledge of tornadoes and hurricanes. A FEMA “safe room” is not required by IBC or the local jurisdiction for these types of buildings, and one was not in place.

6. **What support is Amazon providing families of the dead and injured workers, and workers who are no longer able to work at the Edwardsville facility?**

We are heartbroken over the loss of our teammates at the Edwardsville facility. We are committed to supporting their families, our workers and partners, and the local community, and we will be by their side through this crisis.

As noted above, in Edwardsville, we are offering employees, partners, and their families financial assistance, help with temporary housing, car rentals, and more. In the aftermath of the storm we set up an Amazon Resource Center (ARC) onsite to support impacted employees and the community. We distributed 5,500 meals to associates on site and donated 1,200 meals to the local Edwardsville community. Amazon provided financial support for lost personal items as well as up to \$25,000 to replace damaged vehicles. We created a virtual resource center, provided counseling services, and expanded our Amazon Relief Fund. In addition, we donated \$1 million to the Edwardsville Community Foundation, and we continue working with local and state officials to understand what is needed most in their recovery efforts.

We also donated \$1 million to the Team Western Kentucky Tornado Relief Fund and are working with more than a dozen state and local community organizations to support relief efforts in neighboring states. For example, we are working with Feeding America to support food banks with donations of ready-to-eat items for the most affected areas. We are also providing non-perishable food items for school food programs, and we are assisting health care providers like those at Jackson Purchase Medical Center in Mayfield, Kentucky, with essential supplies like thermal blankets. We will continue to donate more relief supplies as other humanitarian aid partners assess their needs and request support.

We are committed to Edwardsville, and are working with state and local leaders on rebuilding a thriving community with significant investments in good paying jobs with comprehensive benefits, as well as ensuring the highest safety standards for our employees and partners.

7. How are you ensuring that Amazon workers who cannot get to work at other facilities due to tornado damage are not punished for that, especially given numerous issues with employment and human relations systems?

We recognize the impact this tragic event has had on our workers and partners, their families, and the community. We continue to provide our employees and partners in need with access to temporary housing, resources to obtain transportation support, personal asset reimbursements, and Amazon Disaster Relief Fund information.

Across the community, our team continues to conduct outreach to all affected employees to discuss their needs and their timeline to return to work at a nearby station, and we provided pay through the end of 2021. We have offered 100 percent of affected associates and partners an opportunity to work at a nearby site. We are also providing flexibility for those unable to work in the new year. In addition, we are partnering with the DSPs and all of our contract companies in the affected areas to support them as they engage with their employees during this time.

In addition to the questions above, you also requested various categories of documents. Amazon shares your interest in determining what exactly happened during the tragic events of December 10, and in particular what transpired at our Edwardsville facility. At the moment, we are focused on conducting a thorough internal investigation and on cooperating with OSHA's formal inquiry. We have and will produce to OSHA all documents relevant to this matter and helpful to OSHA's investigation.

Thank you for your attention to this important matter.

Sincerely,



Brian Huseman
Vice President, Public Policy

cc: Senators Richard Blumenthal, Sherrod Brown, Edward Markey, Alex Padilla, Bernard Sanders, and Ron Wyden and Representatives Jamaal Bowman, Jesús García, Mondaire Jones, Barbara Lee, Andy Levin, James McGovern, Jerry McNerney, Ilhan Omar, Donald Payne, Jr., Ayanna Pressley, Jan Schakowsky, Rashida Tlaib, Paul Tonko, and Bonnie Watson Coleman.

SANFORD J. LEWIS, ATTORNEY

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March 28, 2022

VIA ELECTRONIC MAIL (shareholderproposals@sec.gov)

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Response to Amazon.com supplemental no action request regarding the
shareholder proposal on behalf of Thomas Dadashi Tazehozi

Ladies and Gentlemen:

Thomas Dadashi Tazehozi (the “Proponent”) is beneficial owner of common stock of Amazon.com, Inc. (“Amazon” or the “Company”) and Tulipshare Limited (“Tulipshare”) has submitted a shareholder proposal (the “Proposal”) on his behalf to the Company for the 2022 AGM. We previously responded to the no action request of the Company dated January 24, 2022 (“Company Letter”) sent to the Securities and Exchange Commission by Ronald Mueller. The Company subsequently sent a supplemental request on March 18 (“Supplemental Letter”). The following is our supplemental response. A copy of this letter is being emailed concurrently to Ronald Mueller.

The Company’s latest correspondence attempts to demonstrate that the major issues raised by news media, legislators, employees and unions regarding workforce conditions at Amazon warehouses are misplaced, such that the Proposal merely addresses the Company’s ordinary business. These assertions do not obviate the need for the Proposal, nor demonstrate that the Proposal is excludable under Rule 14a-8(i)(7). The Proposal addresses a significant human capital management issue facing the Company and its investors, and therefore is not excludable under the rule.

The Company’s reported statistics of nearly average workforce health and safety do not comport with the extensive concerns expressed even quite recently by warehouse employees, journalists’ investigations and legislative responses to the related concerns. For example, in December 2021 it was reported that Amazon’s warehouse employees say “Amazon’s ‘excessively rapid work pace,’ surveillance and disciplinary systems have created a dangerous environment”¹ and that the Company’s “immense productivity pressures and quota rates on

¹ <https://www.theguardian.com/technology/2021/dec/30/amazon-employees-climate-fear-high-rates-injuries>

workers”² have resulted in high injury rates³ and high turnover rates⁴ over the past several years as confirmed by OSHA logs.⁵ The level of concern expressed by numerous employees is consistent with the need for the Proposal seeking an independent audit of how warehouse workers are treated.

For Amazon workers such as May Chloe Roberson, who dislocated her kneecap while working at a fulfillment center and has “been having to fight Amazon for time off and money,” an independent audit of the Company’s health and safety metrics could lead to improvements in which workers such as Roberson will no longer have to struggle “to cover bills while recovering from [injuries] and battling Amazon.”⁶

Though Amazon offers tours of its warehouse facilities to the public to “show what goes on behind closed doors,” “and to combat misinformation,” a reporter from *The New Yorker* characterized his experience touring the Company’s SMF1 fulfillment center in Sacramento, California as a “public, corporate propaganda tour” in which robots and “strips of perfectly measured packing tape to the minute-long breaks it metes out to its workers” can be observed.⁷

The human rights impact associated with the treatment of workers is self-evident, and the controversy around the company on these concerns is ongoing. The Proposal does not need to use the phrase “human rights” to implicate clear issues of whether workers are treated with the dignity consistent with respect for their human rights.

For example, one of the most visible controversies of recent years regarding the dignity of workforce treatment by the Company has surfaced around the widely reported issue of employees having to urinate in bottles because of the company’s strict tracking of employee “time off task” has plagued the company both with regard to delivery workers and warehouse workers. For instance, NBC news reported:

"California lawmakers have passed a landmark bill aimed at regulating Amazon’s use of productivity quotas in warehouses, a labor practice that has become a notorious complaint among its workers... The legislation requires employers to disclose productivity quotas to employees and government agencies. It also prohibits employers from requiring warehouse employees to meet unsafe quotas that prevent them from taking state-mandated meal and rest

² *Id.*

³ <https://www.theguardian.com/technology/2018/jul/30/accidents-at-amazon-workers-left-to-suffer-after-warehouse-injuries>

⁴ <https://www.geekwire.com/2021/new-reports-examine-amazons-strained-employment-machine-alleged-race-problem/#:~:text=Amazon's%20turnover%20rate%20for%20hourly,fossil%20fuels%20despite%20climate%20change.>

⁵ <https://revealnews.org/article/find-out-what-injuries-are-like-at-the-amazon-warehouse-that-handled-your-packages/>

⁶ <https://www.theguardian.com/technology/2021/dec/30/amazon-employees-climate-fear-high-rates-injuries>

⁷ <https://www.newyorker.com/news/letter-from-silicon-valley/what-an-amazon-fulfillment-center-tour-reveals>

breaks, or from using the bathroom. Amazon uses sophisticated algorithms to track productivity rates among its warehouse workers, logging the number of packages they pick, pack and stow each hour. If workers take a break from scanning packages for too long, Amazon's internal system will log it as a "time off task" and generate a warning, which can later lead to firings."⁸

Two Washington state senators have proposed a bill this year to limit the way productivity quotas are enforced in Amazon's warehouse and fulfillment centers.⁹ Washington state follows in California's footsteps, after California passed the bill in 2021 targeting Amazon's productivity quotas that penalize bathroom breaks. With legislative bodies continuing to press this issue of worker treatment by Amazon, the need and urgency for the current Proposal could not be clearer to the Proponent.

The critical factor around the tornado, as expressed in our initial reply, was the location of the Amazon warehouse that was struck in an area of high tornado risk, wind Zone IV, with Congressional representatives finding that "it is not clear whether Amazon gave any advance instructions to workers on December 10, 2021 or provided them with flexibility to remain safely sheltered at home." **To provide a bit more information on this topic, we have included as Appendix 1 to this letter a description of the various reported allegations by Amazon staff of inadequate training and readiness associated with sheltering during the tornado.** We believe that the audit requested by the proposal would be an appropriate vehicle for identifying the root causes in Amazon workplace culture that may have contributed to the tragic mishandling of worker safety associated with the tornado.

It should not take an outpouring of reports of mistreated employees or a tragedy such as the tornado to spur legislative action in order for Amazon to improve its treatment of workers. The Proponent believes that the Company needs to create a safer working environment from the outset. The current proposal is an appropriate mechanism for encouraging third-party review of the Company's workforce treatment on behalf of its investors.

As such, the current Proposal addresses a significant social policy issue, as a matter of human capital management. It is in line with the Staff's recent rulings in *CVS Health Corporation* (March 18, 2022) (asking the company to disclose a policy allowing some amount of paid sick leave for workers after a probationary period) and *Tractor Supply* (March 9, 2022) (assessing whether the company's workforce practices prioritize financial performance of the company over economic and social costs and risks created by inequality and racial and gender disparities). In both instances, the Staff concluded that the proposal transcends ordinary business matters because it raises human capital management issues with a broad societal impact. The same is true in the present instance. Regardless of whether or not these issues are characterized as "human rights" matters, the high-profile issues related to the treatment of warehouse workers at Amazon

⁸ <https://www.nbcnews.com/business/business-news/california-passes-bill-targeting-amazon-s-productivity-quotas-can-penalize-n1278807>

⁹ <https://www.protocol.com/bulletins/amazon-warehouse-productivity-quota-law>

Office of Chief Counsel

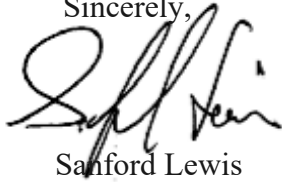
March 28, 2022

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is a very substantial human capital management issue for the company which merit the current Proposal.

In these and all other regards, we stand by our initial response that the Proposal addresses a significant policy issue and is not excludable under Rule 14a-8(i)(7), and urge the Staff to deny the Company's no action request.

Sincerely,

A handwritten signature in black ink, appearing to read "Sanford Lewis". The signature is written in a cursive style with a large initial "S".

Sanford Lewis

Appendix 1

More information on the December 10, 2021 Tornado Incident

A question for ESG Investors: Is there a root cause in Amazon safety culture that contributed to this incident?

After the December 10, 2021 tornado that killed six workers at the Edwardsville, Illinois Amazon warehouse, some survivors of the incident stated that they were directed to continue working and seek shelter in the bathrooms rather than the storm safety zone in the warehouse that is surrounded by heavy bulk items. Governor J.B. Pritzker said Illinois lawmakers will work on legislation to address safety issues at Amazon warehouses.¹⁰

On the basis of 40 years of tornado history and more than 100 years of hurricane history, the United States has been divided into four zones that geographically reflect the number and strength of extreme windstorms... Zone IV, in which the warehouse was located, has experienced the most and the strongest tornado activity.”¹¹

As emergency alerts were sent out by the National Weather Service imploring residents to take shelter, Amazon delivery drivers out on the road on December 10, 2021 were told by the Company “to immediately take cover inside the warehouse.”¹² Just before the tornado ripped through the south side of the building, workers Craig Yost, Larry Virden, Deandre Morrow, Clayton Cope, Kevin Dickey, and Austin McEwen ran into the men’s bathroom closest to the garage where the delivery vans were parked to seek shelter.¹³ All of the workers were killed in the bathroom, except Yost who “was trapped under concrete but still conscious,” and managed to “flag down a frantic delivery driver and told him to find help.”¹⁴ Yost suffered serious injuries, including a fractured pelvis, fractured hip, and a concussion which was assessed and treated “[a]fter hours of lying underneath concrete rubble.”¹⁵ At the same time, two women “trapped under debris in a bathroom near ‘the back’ of the building” called 911 and stated on the recorded call that they were “right next to” a woman who was unresponsive and appeared to be dead, adding “We can’t get to her. Her body is bent in half.”¹⁶ The woman who died in the collapse was Etheria Hebb, according to the Edwardsville Police Department.¹⁷

On a recorded 911 call to emergency dispatch, one female worker explained why the workers sought shelter in the Amazon warehouse bathrooms – she stated on the call that, “As soon as we

¹⁰ <https://spotonillinois.com/southwest-illinois/2213510/gov-jb-pritzker-discusses-ongoing-amazon.html>

¹¹ https://www.fema.gov/pdf/library/ism2_s1.pdf at p. 5.

¹² <https://www.cnbc.com/2021/12/20/amazon-warehouse-in-illinois-hit-by-tornado-killing-6.html>

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.*

pulled in, they said park and go straight to the bathrooms, so we came into the girls' bathroom. We all got together, and the building just fell.”¹⁸ When the CNBC reached out to Amazon to inquire why workers had sheltered in bathrooms in the facility's south side rather than a designated shelter area at the front of the building, an Amazon spokesperson did not provide a direct answer and instead said “employees were directed to shelter in a designated assembly area after the site got tornado warnings... located near a bathroom.”¹⁹ John Felton, Amazon's senior vice president of global delivery services, stated at a news conference that there was no indication that any safety procedures were incorrectly followed.²⁰ Felton also claimed that “[t]here was a tremendous effort that happened that night to keep everybody safe.”²¹

Though Amazon's workplace safety policies had already been criticized throughout the ongoing coronavirus pandemic, the incident involving the collapse of the Edwardsville DL14 facility added heightened scrutiny.²² Amazon warehouse workers raised concerns about inadequate safety protocols for severe weather events in light of the DL14 collapse and subsequent deaths.²³ Jameisha Ross, an Amazon warehouse worker at another facility in Edwardsville, referred to as STL6, stated that though her site has a “severe weather assembly area” marked by a sign suspended from the ceiling of the warehouse, that assembly area is in the center of the warehouse floor and “surrounded by very heavy bulk items.”²⁴ Ross stated that, due to the DL14 collapse, “[m]any employees [at STL6] are just now realizing where [the severe weather assembly area] is, and that they'll be surrounded by some of the largest and heaviest items our building carries.”²⁵ She added, “Nothing like 100 treadmills or fridges coming down on you while sheltering in place.”²⁶ A worker at another Edwardsville warehouse, known as STL4, which is located across the highway from the destroyed DL14 warehouse, stated they've “‘never once’ had a severe weather drill or received instructions on where to go in case of an emergency.”²⁷ The STL4 worker, who requested to remain anonymous “for fear of company reprisal,” stated that the STL4 warehouse was “extremely chaotic” when the storm began because “nobody knew exactly where to go” and the employees inside STL4 “were told to shelter in a crowded bathroom.”²⁸

According to OSHA guidelines,²⁹ “basements, storm cellars or small interior rooms provide the best protection from a tornado.”³⁰ This description does not align with Amazon's “severe weather assembly areas” located in an open warehouse floorplan and “surrounded by very heavy

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.*

²¹ <https://www.pbs.org/newshour/economy/osha-opens-investigation-after-amazon-warehouse-collapses-during-tornado-killing-6>

²² <https://www.cnbc.com/2021/12/20/amazon-warehouse-in-illinois-hit-by-tornado-killing-6.html>

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ <https://www.osha.gov/tornado/preparedness>

³⁰ <https://www.cnbc.com/2021/12/20/amazon-warehouse-in-illinois-hit-by-tornado-killing-6.html>

bulk items.”³¹ A situation in which Amazon workers were “never once” provided a severe weather drill or received instructions on where to go in case of an emergency also does not align with OSHA’s guidelines advising employers to “make sure all workers know what to do in case of emergency and routinely practice shelter-in-place plans.”³² John Gasper, associate professor of economics at Carnegie Mellon University’s Tepper School of Business, stated that “for companies like Amazon that have high turnover in labor, it likely is harder to conduct regular emergency training schedules, particularly during the busy holiday season when there are many seasonal workers. The cost of the time to do the drills is also time they are not [moving] the packages.”³³

Following the tragic and deadly collapse of the DL14 warehouse, numerous Amazon employees turned to the Company’s internal message boards and shared their concerns with reporters regarding the inadequate workplace safety practices within Amazon warehouses.³⁴ One worker from an Indiana Amazon facility questioned why his warehouse did not have tornado drills, while another employee who has worked for Amazon for six and a half years wrote that he was never provided a tornado safety drill, and had not even participated in a fire drill in about two years.³⁵ Amazon declined to answer questions posited by the Public Broadcasting Service (“PBS”) regarding “its disaster plans at the plant, including whether employees were required to perform drills.”³⁶

An OSHA investigation was opened to determine whether workplace safety rules were followed which will take roughly six months to complete.³⁷ Though an OSHA investigation into the collapse of the DL14 warehouse was opened, Debbie Berkowitz, a former OSHA official of six years who now works for the National Employment Law Project, stated that investigating building codes is outside of OSHA’s scope and “people are usually disappointed in a lot of OSHA investigations because there were unsafe conditions, but there wasn’t a specific violation of the law.”³⁸ Though OSHA does investigate “whether exits are accessible or if emergency action plans were in place,” “when violations are discovered as a result of an OSHA investigation, the monetary penalties are typically several thousand dollars, a paltry sum for many large corporations,” such as Amazon.³⁹

³¹ *Id.*

³² *Id.*

³³ <https://www.pbs.org/newshour/economy/osha-opens-investigation-after-amazon-warehouse-collapses-during-tornado-killing-6>

³⁴ The Intercept, “After Deadly Warehouse Collapse, Amazon Workers Say They Receive Virtually No Emergency Training,” Ken Klippenstein, December 13, 2021, <https://theintercept.com/2021/12/13/amazon-illinois-tornadosafety-protocols/>; Bloomberg, “‘Keep Driving’: Amazon Dispatcher Texts Show Chaos Amid Twisters,” Spencer Soper, Michael Tobin, and Michael Smith, December 16, 2021, <https://www.bloomberg.com/news/features/2021-12-17/amazon-tornado-aftermath-workers-say-they-lacked-emergency-training>.

³⁵ *Id.*

³⁶ <https://www.pbs.org/newshour/economy/osha-opens-investigation-after-amazon-warehouse-collapses-during-tornado-killing-6>

³⁷ *Id.*

³⁸ <https://www.cnbc.com/2021/12/20/amazon-warehouse-in-illinois-hit-by-tornado-killing-6.html>

³⁹ *Id.*

The destroyed Edwardsville DL14 warehouse is one of many concrete-and-steel structures erected in the St. Louis region over the past decade, a highly appealing area for Amazon to build warehouses due to “its confluence of major highways and railroads, cheap costs and Americans’ expectations for getting packages delivered soon after they click a link to order them.”⁴⁰ A researcher who tracks the warehouse industry “and the pressure put on Amazon workers to meet strict productivity quotas” said that “even if Amazon’s team did everything right in responding to a devastating tornado, it raises the question about the structure of enormous warehouses popping up across the Midwest as some climate experts warn of more frequent severe storms.”⁴¹

Beth Gutelius, research director at the Center for Urban Economic Development at the University of Illinois-Chicago, said that, due to “its central location and cheaper costs,” the warehouse industry has tripled over the past decade in the greater St. Louis area, where the destroyed DL14 warehouse is located and where Amazon has three⁴² massive warehouse facilities.⁴³ Gutelius further stated that “the pressure on warehouse and delivery workers is particularly high in the holiday period, especially at Amazon because of its promise of rapid deliveries and its artificial intelligence technology for moving goods and monitoring workers’ performance.”⁴⁴ Amazon spokesperson Kelly Nantel avowed in a news conference that the DL14 warehouse “was constructed consistent with code.”⁴⁵

But FEMA notes that “Even if a building is built “to code,” that does not mean the building can withstand a high wind event such as a tornado, and alternate shelter must likely be sought.. A tornado or extreme hurricane can cause winds much greater than those on which local code requirements are based.”⁴⁶

Illinois Governor J.B. Pritzker pledged to review all of the events that took place surrounding the tragic collapse and loss of life, and raised the possibility that current codes aren’t enough to meet the dangers of increasingly devastating storms.⁴⁷ Although Bloomberg reported that Amazon relaxed its prohibition of cellphones during the pandemic,⁴⁸ an Amazon employee from a

⁴⁰ <https://www.pbs.org/newshour/economy/osha-opens-investigation-after-amazon-warehouse-collapses-during-tornado-killing-6>

⁴¹ *Id.*

⁴² <https://stlouiscountymo.gov/st-louis-county-departments/human-services/workforce-development/wfd-opportunities/virtual-job-fairs/st-louis-region-virtual-job-fair/amazon-fulfillment-centers/#:~:text=Amazon%20operates%20fulfillment%20Centers%20in,Louis%20region%20locations.&text=To%20apply%20online%20click%20here,in%20to%20Amazon's%20Tatango%20service.>

⁴³ <https://www.pbs.org/newshour/economy/osha-opens-investigation-after-amazon-warehouse-collapses-during-tornado-killing-6>

⁴⁴ *Id.*

⁴⁵ <https://www.cbc.com/2021/12/20/amazon-warehouse-in-illinois-hit-by-tornado-killing-6.html>

⁴⁶ https://www.fema.gov/pdf/library/ism2_sl.pdf at p. 5. Guidelines for Wind Vulnerability Assessments of Existing Critical Facilities - <https://www.fema.gov/sites/default/files/2020-07/guidelines-wind-vulnerability.pdf>

⁴⁷ <https://www.pbs.org/newshour/economy/osha-opens-investigation-after-amazon-warehouse-collapses-during-tornado-killing-6>

⁴⁸ <https://www.bloomberg.com/news/articles/2021-12-12/deadly-collapse-at-amazon-warehouse-puts-spotlight-on->

neighboring Edwardsville warehouse stated, “After these deaths, there is no way in hell I am relying on Amazon to keep me safe. If they institute the no-cellphone policy, I am resigning.”⁴⁹

phone-ban

⁴⁹ <https://nypost.com/2021/12/12/amazon-worker-texted-girlfriend-he-wasnt-allowed-to-leave-warehouse/>