

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