

An average of nearly 205,000 hate crimes were perpetrated in America each year between 2013 and 2017 according to the Bureau of Justice Statistics, which defines hate crimes as "crimes that the victim perceived to be motivated by bias due to the victim's race, ethnicity, gender, disability, sexual orientation, or religion." (<https://www.bjs.gov/content/pub/pdf/hcs1317pp.pdf>) Hate crimes are on the rise (<https://on.wsj.com/3mbqgWx>) and it has been suggested that online hate speech, which Merriam-Webster defines as speech expressing hatred of a particular group of people, can weaken inhibitions against harmful acts. (<https://ti.me/2qtvdzh>)

Amazon's Offensive Products policies state that "Amazon does not allow products that promote, incite or glorify hatred, violence, racial, sexual or religious intolerance or promote organizations with such views." (<https://amzn.to/2WZTa0q>, accessed November 23, 2020) Unfortunately, this policy appears to be applied inconsistently. A 2018 report found racist, Islamophobic, homophobic and anti-Semitic items on Amazon's platforms. (<https://bit.ly/2NxgaRk>) While Amazon removed some products after the report's publication, as of December 2020, searches on Amazon.com showed that controversial products continue to be available. For instance, a search for "Kek," a satirical religion associated with the white nationalist movement, returned multiple results.

Amazon's Offensive Products policies do not apply to books, music, video and DVD. According to a recent report, with respect to these products, Amazon's algorithm for product searches proactively directs customers who search for white supremacist content to additional extremist content. (<https://bit.ly/332jgBy>) The sale of self-published books by extremist organizations on platforms like Amazon is a key source of funding for these groups. (<https://bit.ly/375lcvS>)

Facilitating hate speech and the sale of offensive products could expose Amazon to reputational damage and impair relationships with key stakeholders. Other companies have faced boycotts for failing to adequately address hate speech. After Facebook failed to meaningfully address hate speech on its site, more than 1,200 businesses and nonprofits paused advertising on Facebook in July 2020. (<https://www.stophateforprofit.org>)

Amazon could also face legislative risks. At least thirteen countries have adopted or proposed legislation modeled on a German law requiring the removal of online hate speech within 24 hours. (<https://bit.ly/3nPpWhg>)

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

Resolved:

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