

RESOLVED: Shareholders of **Amazon.com Inc.** (“Amazon” or the “Company”) urge the Board of Directors (the “Board”) to adopt a policy to require that the Chair of the Board be an independent director who has not previously served as an executive officer of the Company. This policy should be implemented so as not to violate any contractual obligations, with amendments to the Company’s governing documents as needed. The policy should specify procedures for selecting a new independent Chair if the current Chair ceases to be independent between annual meetings of shareholders. Compliance with the policy may be excused if no independent director is available and willing to be Chair.

SUPPORTING STATEMENT: Amazon’s former Chief Executive Officer (CEO) Jeff Bezos also serves as Board Chair. We believe that having the former CEO serve as the Board Chair weakens a corporation’s governance, which can harm shareholder value. The Board’s oversight of management can be diminished when the Chair is not an independent director.

An independent Chair will be particularly useful at Amazon to provide more robust oversight of risk, including on environmental, social, and governance issues. An independent Chair will strengthen the ability of the Board to provide objective feedback to the CEO and enhance management accountability.

According to Institutional Shareholder Services, “the past decade has witnessed a significant rise in the number of companies with independent Chairs and a corresponding decline in the prevalence of combined CEO-Chairs.”ⁱ In 2019, 34 percent of S&P 500 companies had an independent Chair, up from 31 percent in the previous year and 16 percent in 2009.ⁱⁱ

According to Glass Lewis, “shareholders are better served when the board is led by an independent chairman who we believe is better able to oversee the executives of the Company and set a pro-shareholder agenda without the management conflicts that exists when a CEO or other executive also serves as chairman.”ⁱⁱⁱ

Amazon continues to face harsh criticism over its relationships with key constituencies including small businesses,^{iv} workers,^v and communities in which it operates.^{vi} Amazon’s alarming workplace health and safety^{vii} record related to COVID-19^{viii} and its surveillance technology have fueled concerns.^{ix} Furthermore, Amazon’s gender^x and racial^{xi} diversity criticisms and human resources failures^{xii} including inhumane productivity quotas^{xiii} and alleged constant surveillance of its employees are compounded by the fact that Amazon’s warehouse employees are overwhelmingly people of color.^{xiv}

Despite Amazon’s rapid growth these controversies and operating challenges threaten to damage our Company’s corporate reputation and financial performance. An independent Chair would more likely result in improved policies and practices to mitigate these business risks.

We urge Amazon’s Board to adopt an independent chair policy that will help to restore and protect the balance between profit maximization and a key driver of long-term success: its employees.

ⁱ <https://www.issgovernance.com/library/independent-board-leadership-matters/>

ⁱⁱ https://www.spencerstuart.com/-/media/2019/ssbi-2019/us_board_index_2019.pdf

ⁱⁱⁱ <https://www.glasslewis.com/wp-content/uploads/2016/03/2016-In-Depth-Report-INDEPENDENT-BOARD-CHAIRMAN.pdf>

^{iv} <https://www.yalelawjournal.org/note/amazons-antitrust-paradox>; https://ilsr.org/amazons_tollbooth/

^v <https://www.vice.com/en/article/5dp3yn/amazon-leaked-reports-expose-spying-warehouse-workers-labor-union-environmental-groups-social-movements>; <https://www.vox.com/recode/2020/10/6/21502639/amazon-union-busting-tracking-memo-spoc>

^{vi} <https://www.nytimes.com/2019/02/14/opinion/amazon-hq2-new-york.html>; <https://www.theatlantic.com/business/archive/2018/02/amazon-warehouses-poor-cities/552020/>

^{vii} <https://www.revealnews.org/article/how-amazon-hid-its-safety-crisis/>

^{viii} <https://www.nytimes.com/interactive/2021/06/15/us/amazon-workers.html>

^{ix} <https://www.washingtonpost.com/technology/2019/11/19/police-can-keep-ring-camera-video-forever-share-with-whomever-theyd-like-company-tells-senator/>; <https://www.nytimes.com/2020/11/27/opinion/amazon-halo-surveillance.html>

^x <https://www.nytimes.com/2017/10/20/technology/amazon-sexual-harassment.html>

^{xi} <https://www.nytimes.com/2020/06/24/technology/amazon-racial-inequality.html>

^{xii} <https://www.nytimes.com/2021/10/24/technology/amazon-employee-leave-errors.html>

^{xiii} <https://www.fastcompany.com/90647379/9-devastating-takeaways-from-nyts-massive-report-on-amazon-workers-during-the-pandemic>

^{xiv} <https://www.seattletimes.com/business/amazon/new-amazon-data-shows-black-latino-and-female-employees-are-underrepresented-in-best-paid-jobs/>