

**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 shall 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 also specify the process 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 Chief Executive Officer (CEO) Jeff Bezos also serves as Board Chair. We believe the combination of these two roles in a single person weakens a corporation’s governance, which can harm shareholder value. In our view, the Board’s oversight of management can be diminished when the Board Chair is not an independent director.

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” and that “the percentage of S&P 500 companies with an independent Chair has doubled, from 15 percent of firms in 2008 to 31 percent of companies in 2018.”<sup>i</sup>

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.”<sup>ii</sup>

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

Amazon has faced increasing criticism over its relationships with key constituencies, such as its workers<sup>iii</sup> and the communities in which it operates.<sup>iv</sup> Amazon’s surveillance technology has provoked concern from civil rights organizations,<sup>v</sup> while its management team has attracted public scrutiny for its lack of female representation.<sup>vi</sup>

These various controversies and operating challenges may have resulted from Amazon’s rapid growth, but they also threaten to damage our Company’s corporate reputation and financial performance. In our view, an independent Board Chair would more likely result in improved policies and practices to mitigate these business risks.

For these reasons, we urge you to vote FOR this resolution.

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<sup>i</sup> Independent Board Leadership Matters: Evidence from Governance Practices, ISS, November 9, 2018, *available at* <https://www.issgovernance.com/library/independent-board-leadership-matters/>

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

<sup>iii</sup> <https://gizmodo.com/amazons-aggressive-anti-union-tactics-revealed-in-leake-1829305201>; [https://www.vice.com/en\\_uk/article/7xm4dy/ambulances-were-called-to-amazon-warehouses-600-times-in-three-years](https://www.vice.com/en_uk/article/7xm4dy/ambulances-were-called-to-amazon-warehouses-600-times-in-three-years)

<sup>iv</sup> <https://www.nytimes.com/2019/02/14/opinion/amazon-hq2-new-york.html>;  
<https://www.theatlantic.com/ideas/archive/2018/11/amazons-hq2-spectacle-should-be-illegal/575539/>

<sup>v</sup> <https://www.forbes.com/sites/thomasbrewster/2018/05/22/amazon-now-sells-facial-recognition-to-american-police/#4eb5e9c54b58>;  
<https://www.nydailynews.com/news/national/ny-news-amazon-tech-companies-transforming-immigration-enforcement-20181023-story.html>

<sup>vi</sup> <https://www.inc.com/huffington-post/big-problem-with-amazon-pay-gap-ratio-of-male-to-female-employees.html>; <https://www.vox.com/2017/10/21/16512448/amazon-gender-diversity-leadership-executives-jeff-bezos>