

Written evidence submitted by Amazon (FL0025)

A. Introduction

Modern slavery is one of the most complex and important human rights challenges of our time. Preventing modern slavery from impacting so many vulnerable people requires commitment, resources, and innovative solutions from governments, international organisations, the private sector, and civil society. At Amazon, we understand the unique responsibility of the private sector in tackling this criminal and unacceptable practice. This submission sets out the steps we have taken to set clear policies and standards, embed respect for human rights in our business, improve our ability to identify and protect vulnerable groups, and strengthen our due diligence and compliance processes. As we continually improve our approach and practices, we are committed to increasing transparency about the steps we are taking, and working with global experts, including NGOs, to benchmark our progress and learn from global best practice. Whilst no one company can solve this problem alone, Amazon is committed to playing our full part.

Modern slavery is unacceptable anywhere in the world, but we recognise the Committee is particularly concerned with allegations of abuse in the Xinjiang Uyghur Autonomous Region (XUAR) of China. The human rights abuses alleged to be occurring in XUAR, including the export of forced labour to other regions, are alarming and require a strong and coordinated response from governments and the business community. Such practices are not tolerated by Amazon and do not align with how we do business.

B. About Amazon's Business

Our operations: Amazon.com opened its virtual doors on the World Wide Web in July 1995. We provide customers with a retail and entertainment offer, we manufacture devices, and we provide tools and services to other businesses. We have organised our operations into three segments: North America, International, and Amazon Web Services ("AWS"). These segments reflect the way the company evaluates its business performance and manages its operations. We launched in the UK more than 20 years ago, and have invested £23bn here since 2010. By the end of 2020, we will directly employ 40,000 people in the UK, across corporate offices in London and Manchester, three R&D centres (London, Cambridge, and Edinburgh) and a network of fulfilment centres and logistics operations across the country.

Our approach: We seek to be Earth's most customer-centric company. Our customers consist of consumers, sellers, developers, enterprises, and content creators. We are guided by four principles: customer obsession rather than competitor focus, passion for invention, commitment to operational excellence, and long-term thinking. We also care deeply about our employees, and provide everyone with competitive pay and benefits.

Our Supply Chain: Amazon is committed to improving the working conditions of people around the world who are a part of our supply chain. Amazon sources products for many of its businesses around the world, including sourcing private label products in several industries (including electronics, fashion, consumables, and furniture). With manufacturers spanning the Americas, Asia, Australia, Europe, and Africa, we recognise the need to monitor for conditions that put workers at risk of forced labour.

C. Xinjiang Uyghur Autonomous Region (XUAR)

The human rights abuses alleged to be occurring in XUAR, including the export of forced labour to other regions, require a strong and coordinated response from governments and the business community.

Amazon does not source any of our finished products from XUAR and we are committed to only working with suppliers that meet our Supply Chain Standards (outlined below), which expressly prohibit any form of forced, bonded, or prison labour.

Following the release of the March 2020 Australian Strategic Policy Institute (ASPI) report, we took urgent action to investigate the findings. Our investigation concluded that we do not directly source from three of the four entities linked to Amazon in the original version of the ASPI report. We clarified this with ASPI and they have since corrected their report. We stopped sourcing from the fourth entity, which is based outside Xinjiang, following the addition of that company to the U.S. Department of Commerce's Entity List in July 2020.

Amazon recognises that the United States government, through several trade-related actions, has recently identified a number of entities as possibly being engaged in the use of forced labour related to ethnic minorities from Xinjiang. Amazon is actively investigating its supply chain and, to date, has not identified direct sourcing links with any of those entities other than the one entity identified above with which we have terminated our relationship. In addition, we are taking steps to increase our due diligence regarding forced labour throughout our supply chains in China. We are working closely with subject matter experts, governments, and industry associations, such as the Responsible Business Alliance and the National Retail Federation, to explore all potential approaches to responsibly address this situation. We will continue to aggressively respond to credible findings, in line with our stated policies.

D. Amazon's Approach to Preventing Modern Slavery and Human Rights Abuses

At Amazon, we are strongly committed to ensuring that the products and services we provide are produced in a way that respects human rights and the environment, and protects the fundamental dignity of workers. We engage with suppliers that are committed to these same principles, and we set exacting standards for suppliers of goods and services for Amazon and Amazon's subsidiaries. These standards are derived from the United Nations Guiding Principles on Business and Human Rights, and the Core Conventions of the International Labour Organisation (ILO), including the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Universal Declaration of Human Rights. When interpreting these policies, we follow ILO guidance materials and definitions.

Our strategy to protect and defend human rights has four components:

1. Strong Policies

Our efforts are anchored in policies that apply across all aspects of our business—from our own operations, to our supply chain, to the communities in which we operate. In 2019, we codified our commitment to human rights in Amazon's Global Human Rights Principles, which underlines the importance we place on embedding respect for human rights throughout our business.

Our policies include our [Supply Chain Standards](#) ("Supplier Code")¹, which sets clear standards on the prevention of forced labour in our supply chain. These standards detail the requirements and expectations for all of Amazon's suppliers, vendors and service providers. We expect all suppliers to comply with the Supplier Code, even where those standards exceed applicable legal standards.

The Supplier Code sets out how Amazon evaluates and addresses risk of modern slavery and other human rights abuses. We are clear that:

- Our suppliers must not use forced labour - slave, prison, indentured, bonded, or otherwise.
- Our suppliers must not traffic workers or in any other way exploit workers by means of threat, force, coercion, abduction or fraud. Working must be voluntary, and workers must be free to leave work and terminate their employment or other work status with reasonable notice.
- Workers shall not be required to pay recruitment, hiring, or other similar fees related to their employment; our suppliers must bear or reimburse to their workers the cost of any such fees. All fees

¹<https://sustainability.aboutamazon.com/people/supply-chain>

and expenses charged to workers must be disclosed to Amazon and communicated to workers in their native language in advance of employment.

- Our suppliers must not require workers to surrender government issued identification, passports, or work permits as a condition of working, and our suppliers may only temporarily hold onto such documents to the extent reasonably necessary to complete legitimate administrative and immigration processing.
- Workers must be given clear, understandable contracts regarding the terms and conditions of their engagement in a language understood by the worker.
- Suppliers must ensure that each of its staffing or recruiting agencies comply with this Supplier Code and with the more stringent of the applicable laws of the country where work is performed and the worker's home country.

2. Embedding Human Rights into Our Business

We are committed to embedding human rights considerations into decision-making across the company. This includes specific training programmes on human rights topics. Last year, we launched a human trafficking awareness programme for staff, which helped to further raise awareness and teach employees how to identify indicators of modern slavery, and report concerns to appropriate authorities in a way that puts the interests of victims first. We piloted the training in the UK in 2019, with managers in our UK fulfilment network. In developing the training, we worked with global experts, including Verité, a recognised leader in global labour protections. We also drew on UK expertise, incorporating videos and materials from the Gangmasters and Labour Abuse Authority (GLAA), and are a financial supporter of Unseen² which operates the UK Modern Slavery Helpline and Resource Centre.

Having developed and piloted the training in 2019, we have rolled it out globally this year. We expanded our English training module to cover more languages and are developing region-specific training for our global employees. Our global security operations team has immediate response protocols in the event of a suspected human trafficking-related issue, regardless of where the issue arises.

Last year we also became an official corporate sponsor of Truckers Against Trafficking (TAT), an organisation dedicated to combating human trafficking in the trucking industry, and began incorporating TAT training modules into training for our internal fleet of drivers to teach them how to identify and respond to potential victims of human trafficking. Our goal is to train 100% of our internal fleet of drivers on the Truckers Against Trafficking curriculum by the end of 2020.

3. Transparency and Stakeholder Engagement

As part of our desire to continually improve, we are committed to sharing more details about our approach. In 2019, we published our first interactive supplier map that provides details on suppliers of Amazon-branded apparel, consumer electronics and home goods products. We expanded the map in 2020³ to include additional suppliers and product categories, and to include information on capacity building programmes completed by individual suppliers. This year we also disclosed additional information about our supplier assessment process and audit results, about our approach to worker engagement, and about the goals we have set for ourselves on such topics as forced labour training. To continue to expand our disclosures and transparency on these issues, we report against the UN Guiding Principles on Business and Human Rights Reporting Framework.

Engagement with external stakeholders is key to our human rights due diligence processes. We rely on experts and affected rights holders to inform and improve our approach, and ensure our efforts have the intended impact. In the last year, we have built new relationships with: the Better Buying Initiative to promote improved purchasing practices; Nest to improve conditions in the handworker economy; the Amader Kotha Worker Helpline to provide access to grievance for workers in the Bangladesh garment sector; Truckers Against Trafficking to train our drivers on how to identify victims of human trafficking; and Unseen to support the UK Modern Slavery Helpline and Resource Centre. Through these partnerships we

² <https://www.unseenuk.org/about>

³ <https://sustainability.aboutamazon.com/people/supply-chain>

access invaluable expert input to our work, helping us to continually look for ways to strengthen and improve our systems.

4. Identifying Risk – Geographies and Vulnerable Groups

To analyse risk in the supply chain, we use a combination of desk-based research, supply chain mapping against existing human rights indices, as well as internal and industry audit results. While modern slavery can be found in all countries and industries, we acknowledge that there is a heightened risk with migrant labour; contract, agency, and temporary workers; vulnerable populations (e.g. refugees); and young, or student workers. Our Supplier Code details additional protections we expect for potentially vulnerable groups. This includes:

- **Young Labour** – The Supplier Code makes clear that Amazon does not tolerate the use of child labour. Suppliers are required to engage workers who are: (i) 15 years old, (ii) the age of completion of compulsory education, or (iii) the minimum age to work in the country where work is performed, whichever is greater. Furthermore, workers under the age of 18 (“young workers”) must not perform hazardous work that is likely to jeopardise their health or safety, or compromises their education (e.g. night shifts and overtime).
- **Student Workers** - Suppliers are required to ensure careful management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students’ rights in accordance with applicable law and regulations. In the absence of local law, the wage rate for student workers, interns, and apprentices must be at least the same wage rate as other entry-level workers performing equal or similar tasks.
- **Migrant Workers** - Amazon expects our suppliers to pay particular attention to the risks of exploitation that both domestic and foreign migrant workers face, and ensure migrant workers are not discriminated against in respect to these standards. Our suppliers may only engage workers who have a legal right to work unless the workers are related to an approved programme with refugee populations (in which case Amazon will assess these projects on a case by case basis). If suppliers engage foreign or domestic migrant workers, such workers must be engaged in full compliance with the immigration and labour laws of the host country. Workers must be able to voluntarily terminate contracts without penalty upon reasonable or legally applicable notice.

We know we have more to do. We are committed to continuously widening our lens to better understand the potential human rights impacts of our business. In 2020, we are partnering with sustainability and human rights consulting firm Article One Advisors to identify salient human rights risks across our business. The UN Guiding Principles Reporting Framework recommends this systematic review of risks as a way to prioritise a company’s work on human rights. The results will help us prioritise and design human rights impact assessments—deep dives on specific products, regions, or risk areas, which we will communicate to customers and stakeholders.

E. Due Diligence and Compliance

We recognise that policies are only effective where they are underpinned by robust due diligence and compliance processes.

Amazon assesses manufacturing suppliers and service providers for continued compliance and improvement. In 2019, we conducted a total of 4,082 supplier assessments to help us determine which suppliers to work with and, for those we do engage, to help us continually understand and improve those suppliers’ practices.

Amazon uses a risk-based approach to determine the frequency of assessments and which manufacturing suppliers and service providers should be assessed. Many sites are assessed multiple times a year, including through follow-up assessments to address specific findings. Amazon may terminate its relationships with any supplier that violates our Supplier Code, or does not cooperate during assessments. Assessments may include:

- site inspection of all areas of the site and any living quarters;

- confidential worker interviews or surveys conducted without site management present;
- review and analysis of site documents or licenses to assess workers' age, contracts, compensation, working hours, and workplace conditions; and
- identification of past compliance issues, areas for improvement, and development of a remediation plan.

Audit reports and findings are reviewed regularly by senior leadership and corrective action plans are implemented as needed. Suppliers are required to remediate violations of Amazon's Supplier Code of Conduct. Suppliers must submit a Corrective Action Plan (CAP) providing both a root cause analysis and a description of remedy.

Amazon tracks remediation closely and conducts follow-up audits for significant issues. Between audits, Amazon employees meet on-site with supplier managers to discuss open issues and remediation progress.

Our approach is based on a commitment to continuous improvement. Beyond individual supplier improvements, we are investing in programmes to address complex regional and systemic issues identified through assessment data, risk assessments, or by external stakeholders. One such systemic issue is forced labour, specifically the risks to foreign migrant workers. We are working to educate our suppliers on the issue, helping them develop the appropriate management systems, and ultimately minimising the risks of forced labour. In 2020, we developed a Responsible Recruitment Guidebook in collaboration with labour rights non-profit Verité. This guide provides suppliers with practical strategies to prevent forced labour risks and remediate worker-paid recruitment fees. In 2020, we launched in-person trainings on responsible recruitment for our suppliers in Malaysia, Taiwan and Japan. We are also working with the Responsible Labour Initiative to advance industry-wide approaches to ensuring responsible recruitment.

F. Looking Forward

There is no place for forced labour in any supply chain. Abuses such as those alleged to be occurring in XUAR are not tolerated by Amazon and do not align with how we do business. Amazon is committed to preventing forced labour across our entire business, and to using our influence to drive the adoption of high standards amongst the suppliers and businesses we work with. This is a continual process, where we will always address these critical issues with urgency. That is why we are committed to working with global experts to learn from the success of others. As we continue to strengthen our approach, we look forward to working with governments, policymakers, NGOs and other businesses to eliminate forced labour from supply chains in the UK and around the world.

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