

# Amazon.com Inc.

**TICKER**

NasdaqGS:AMZN

**MARKET CAPITALIZATION**

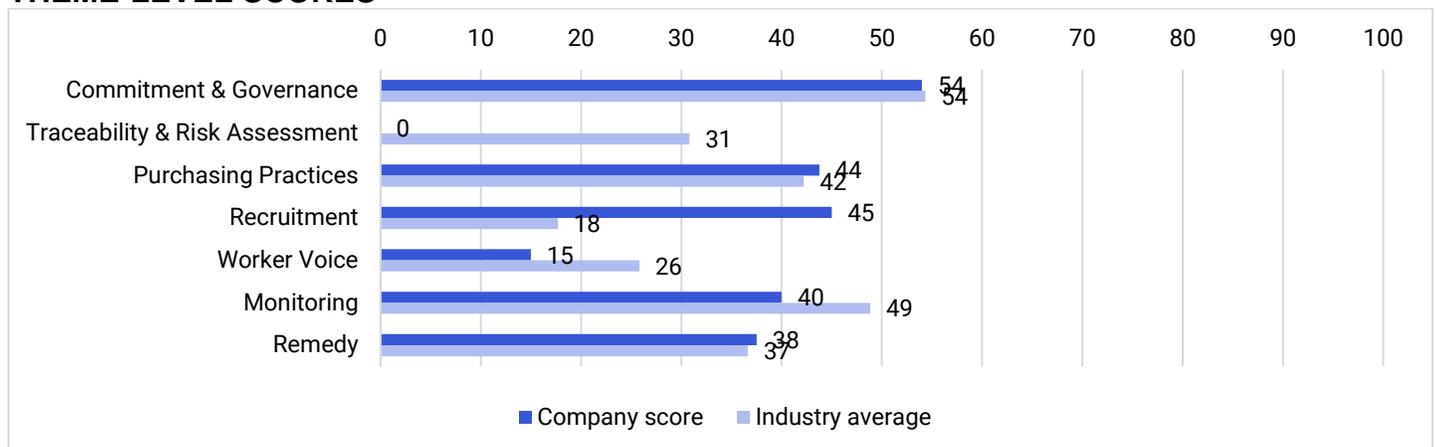
US\$699 billion

**HEADQUARTERS**

United States

**COMPLIANCE**
UK Modern Slavery Act: [Yes](#)
California Transparency in Supply Chains Act: [Disclosure available, but not compliant](#)
**COMMITMENTS**
[None](#)
**OVERALL RANKING**
**23 out of 43**
**OVERALL SCORE**
**34 out of 100**
**SUMMARY**

Amazon.com Inc. (Amazon), one of the world's largest retailers<sup>1</sup> and one of the largest apparel retailers in the United States,<sup>2</sup> ranks 23rd out of 43 companies. It discloses slightly less information on its forced labor policies and practices than its peers. However, the company has a significantly higher-than-average score on the theme of Recruitment, due to its strong policies on the topic. Additional steps the company could take include strengthening its disclosure and practices in its apparel supply chains<sup>3</sup> on the themes of Traceability & Risk Assessment, Worker Voice, and Remedy.

**THEME-LEVEL SCORES**

<sup>1</sup> According to Forbes Global 2000 list. Forbes (6 June 2018), "[Walmart, Amazon Top World's Largest Retail Companies.](#)"

<sup>2</sup> CNBC (10 September 2018), "[Amazon will dethrone Walmart as the No. 1 retailer of apparel this year, predicts Wells Fargo.](#)"

<sup>3</sup> For an assessment of the company's performance with regards to its electronics supply chains, please see [KnowTheChain's website](#).

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## LEADING PRACTICES

None.

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## NOTABLE FINDINGS

**Commitment & Governance:** Amazon states that employees who manage its manufacturing supply chains are trained on its supplier code of conduct (which covers forced labor) and audit requirements. It also discloses that it trains suppliers on its standards and provides in-person and online support, for example, ahead of audits or to support the implementation of corrective action plans. The company discloses that it participates in the Responsible Business Alliance's Responsible Labor Initiative, a multi-industry initiative aimed at protecting workers vulnerable to forced labor.

**Purchasing Practices:** Amazon discloses that suppliers manufacturing its private label products are assessed against its supplier code of conduct before orders are placed. The company notes that "in the event an issue that has caused or is likely to cause severe harm to workers is identified ... the issue must be resolved before, and as a condition of, initial production." Amazon further states that its manufacturing purchasing agreements include provisions on forced labor and require suppliers to adhere to the company's code. The code, in turn, expects suppliers to hold their suppliers and subcontractors to the standards in Amazon's code.

**Recruitment:** Amazon's supplier code of conduct states that "workers shall not be required to pay recruitment, hiring, or other similar fees related to their employment; [its] suppliers must bear or reimburse to their workers the cost of any such fees. All fees and expenses charged to workers must be disclosed to Amazon and communicated to workers in their native language in advance of employment." The code further prohibits the retention of passports and work permits and requires suppliers to provide workers "clear, understandable contracts regarding the terms and conditions of their engagement in a language understood by the worker," and to ensure that its standards are also adhered to by recruitment and employment agencies.

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## OPPORTUNITIES FOR IMPROVEMENT

**Traceability & Risk Assessment:** To demonstrate a strong understanding of its apparel supply chains, the company may consider disclosing the names and addresses of its first-tier suppliers, the countries of its below-first-tier suppliers, the sourcing countries of raw materials at high risk of forced labor, and information on its suppliers' workforce. The company is further encouraged to assess forced labor risks across its supply chains and disclose the risks identified.

**Purchasing Practices:** The company may consider taking steps to address forced labor risks in its raw materials sourcing. It is further encouraged to adopt responsible purchasing practices (such as improving forecasting alignment or sharing purchasing plans with suppliers) and to provide procurement incentives (such as increased orders or longer-term contracts) to first-tier suppliers to encourage or reward good labor practices.

**Worker Voice:** The company is encouraged to work with its suppliers to improve their practices regarding freedom of association and collective bargaining and to work with local or global trade unions to support freedom of association in its supply chains. Where there are regulatory constraints on freedom of association, the company may consider ensuring workplace environments in which workers in its supply chains are able to pursue alternative forms of organizing. Further, the company is encouraged to work with relevant stakeholders to engage with and educate workers in its supply chains on their labor rights.

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## COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Sent links.](#)