

Amazon.com Inc.

TICKER
 NAS:AMZN

MARKET CAPITALIZATION
 US\$805 billion

HEADQUARTERS
 United States

DISCLOSURES
UK Modern Slavery Act: Yes

TARGETS
 Yes

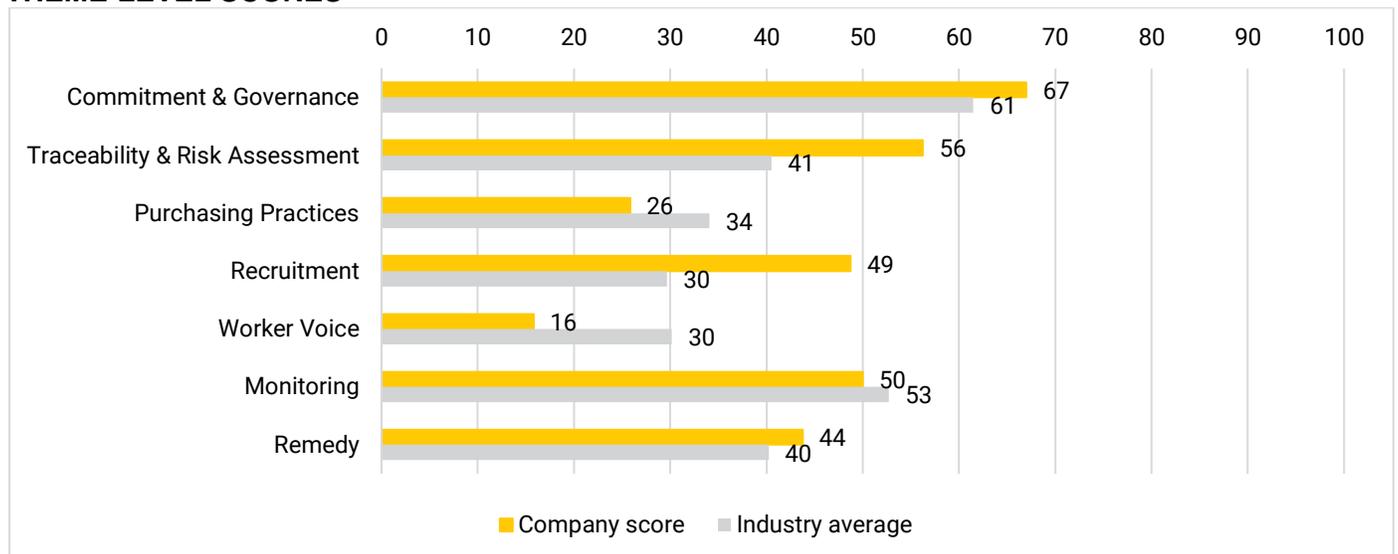
California Transparency in Supply Chains Act: Yes

OVERALL RANKING
18 out of 37

(2018 Rank: 23 out of 43)

OVERALL SCORE
44 out of 100
SUMMARY

Amazon.com Inc. (Amazon), the largest online apparel retailer in North America,¹ ranks 18th out of 37 companies, disclosing slightly more information on its forced labor policies and practices than its peers. Compared to 2018, Amazon improved its score by ten points. It began disclosing engagement with industry initiatives on forced labor, a supplier map that includes the number of workers and gender ratio per supplier, carrying out a supply chain risk assessment that includes forced labor risks, developing a responsible recruitment guidebook, and additional details on monitoring. It scores higher than average on the themes of Commitment & Governance, Traceability & Risk Assessment, Recruitment, and Remedy and lower than average on the remaining themes. Amazon discloses taking limited steps to address the risks of alleged Uyghur forced labor, namely, that it is collaborating with industry peers, associations, experts, and governments to “enhance [its] due diligence efforts in line with... recommendations.” It also states that it stopped sourcing from an entity associated with alleged forced labor of Uyghur workers in July 2020. However, it does not disclose details of the steps it has taken across its supply chain tiers or engagement with rightsholders. Amazon is encouraged to improve on the themes of Purchasing Practices, Worker Voice, and Remedy.

THEME-LEVEL SCORES


KEY DATA POINTS**SUPPLIER LIST**

Yes (Names only, not addresses)

IMPROVEMENTS OF FREEDOM OF ASSOCIATION

❑ No

HIGH-RISK RAW MATERIALS²

❑ Cashmere, cotton, viscose, and others

ADDRESSES FORCED LABOR RISKS RELATED TO THIRD-PARTY PRODUCTS

Yes

DATA ON PURCHASING PRACTICES

❑ No

REMEDY FOR SUPPLY CHAIN WORKERS

❑ No

HIGH-RISK SOURCING COUNTRIES

❑ China, India, Malaysia, and others

LEADING PRACTICES

None.

NOTABLE FINDINGS

Risk Assessment: Amazon discloses that it engages internal and external stakeholders to analyze risks and that this process includes worker surveys, worker interviews, and on-site visits. It states that it is working with a human rights consultancy to identify salient human rights risks, including forced labor. It discloses that its manufacturing supply chain “presents a strong need for focused efforts to assess and address modern slavery risk” and lists countries with “a strong need for partnership and collaboration to address risks of modern slavery...”

Monitoring and Responsible Recruitment: The company states that it has worked with Verité to develop a responsible recruitment guidebook for its suppliers, which supports the implementation of a zero worker-paid recruitment fee policy and includes guidance on how to calculate fee repayment and create a reimbursement plan and strategies on engaging responsible labor agents. It also provides detail on how it is supporting responsible recruitment in its supply chains by coordinating engagement between a supplier and external organizations to “identify responsible recruitment agencies and practices.”

Corrective Action Plans: Amazon discloses that it works with its suppliers to implement corrective action plans. It recommends involving workers in the corrective action process, including seeking worker perspectives and feedback on the plan. It discloses that it verifies their implementation through monitoring and reports on outcomes.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labor risks in its supply chains, Amazon is encouraged to adopt purchasing practices that decrease the risk of forced labor, such as improving planning and forecasting and prompt payment or providing incentives (e.g., price premiums or increased orders) to suppliers to encourage or reward good labor practices. It is further encouraged to disclose quantitative data points demonstrating that it has responsible purchasing practices in place.

Worker Voice: To support collective worker empowerment, Amazon is encouraged 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, it 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 disclose examples covering different supply chain contexts of how it improved freedom of association and/or collective bargaining for its suppliers' workers, such as migrant workers.

Remedy: Amazon may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labor and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, it is encouraged to disclose examples of remedy provided to its suppliers' workers.

ENGAGED WITH KNOWTHECHAIN³

Yes ([Sent Links](#)).

¹ DigitalCommerce 360 (28 August 2020), "[Does Amazon or Walmart sell more apparel online?](#)"

² For further details on high-risk raw materials and sourcing countries, see [KnowTheChain's 2021 Apparel and Footwear Benchmark Report](#).

³ Research conducted through November 2020 or through February 2021, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the [Business & Human Rights Resource Centre website](#).