

Amazon.com Inc. (Amazon)

TICKER
 AMZN

MARKET CAPITALIZATION
 US\$1778.6 billion

HEADQUARTERS
 United States

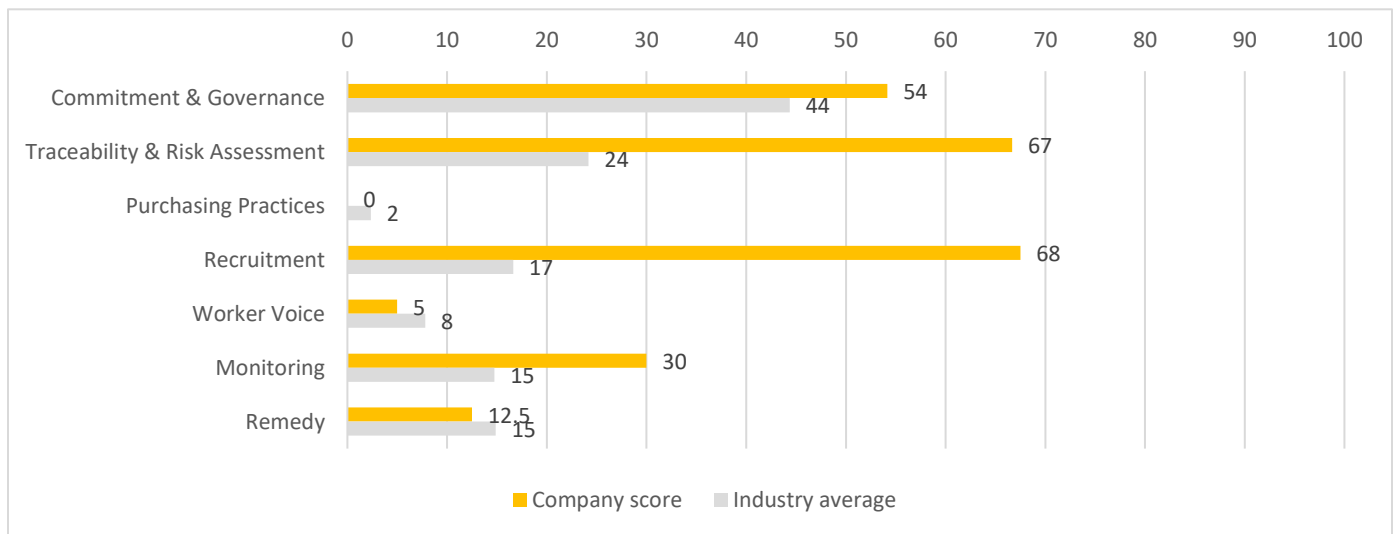
DISCLOSURES
[UK Modern Slavery Act:](#) Yes

[Australia Modern Slavery Act:](#)
 Yes

[California Transparency in Supply Chains Act:](#) Yes

OVERALL RANKING
8 out of 60

(2020 Rank: 14 out of 49)

OVERALL SCORE
41 out of 100
THEME-LEVEL SCORES

KEY DATA POINTS
SUPPLIER LIST

Yes

RISK ASSESSMENT

Yes

ENGAGED WITH KNOWTHECHAIN¹

Yes

ALLEGATIONS OF FORCED LABOUR

Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

Yes (Limited)

HIGH-RISK SOURCING COUNTRIES

China and Malaysia

SUMMARY

Amazon.com Inc. (Amazon), the world's largest online retailer,² ranks 8th out of 60 companies. Compared to 2020, the company improved its rank by 6 places. This is because the company began disclosing a project on responsible recruitment in Japan in partnership with the International Organisation for Migration CREST program, an example of repayment of fees to supply chain workers, and training for suppliers on responsible recruitment. The company's score is based on its improved performance on the themes of Traceability & Risk Assessment, and Recruitment. KnowTheChain identified two allegations of forced labour in the company's supply chains.³ The company has an opportunity to improve its performance and disclosure on the themes of Purchasing Practices, Worker Voice, and Remedy.

LEADING PRACTICES

Responsible Recruitment: Amazon discloses that it partnered with the IOM CREST program on recruitment practices in Japan, as risks were identified to migrant workers through the Technical Intern Training Program, including the charging of recruitment fees. It states that in partnership with CREST it conducted research on the legal frameworks governing migrant workers in Japan, and the challenges faced by migrant workers. It states that it is using this research to develop a region-specific education program for its suppliers on migrant worker vulnerabilities in Japan and states that this will support "suppliers in identifying, assessing, and mitigating specific risks to migrant workers, including worker-paid recruitment fees."

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: While the company states it has learned about the impact of purchasing practices on workers, to address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Worker Voice: To support collective worker empowerment, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. The company is also encouraged to disclose the percentage of suppliers' workers covered by collective bargaining agreements. To guarantee protections for supply chain workers on freedom of association and collective bargaining, the company may consider entering into a global framework agreement or enforceable supply chain labour rights agreements with trade unions or worker organisations.

Remedy: The company is encouraged to establish a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclose details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy it has provided to its suppliers' workers, including with respect to specific allegations in its supply chains.

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's [2022 ICT benchmark findings report](#). Research conducted through June 2022 or through September 2022, 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](#).

² Amazon (12 May 2022), "[The world's largest retailers 2022: pandemic helps Amazon cement its lead.](#)" Accessed 24 November 2022.

³ For more information on the allegations, and the disclosures the company made about its response to those allegations, see the full dataset [here](#).