

Amazon Sustainability 2020 Report:

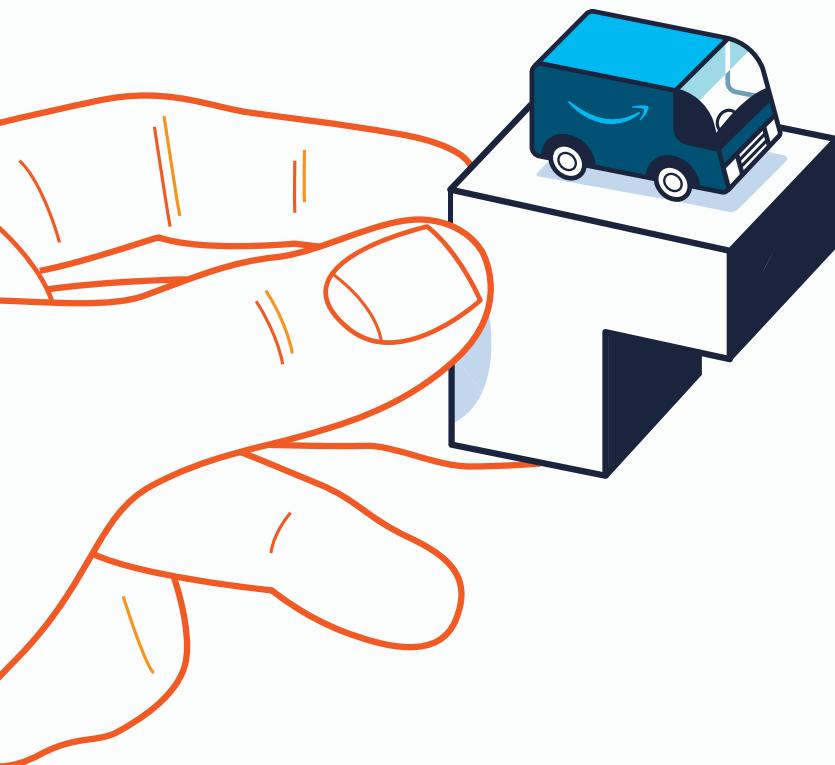
Further and Faster, Together



amazon

June 2021 | sustainability.aboutamazon.com

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Our Business

Amazon seeks to be Earth's most customer-centric company, Earth's best employer, and Earth's safest place to work. We are passionate builders guided by four principles: customer obsession rather than competitor focus, passion for invention, commitment to operational excellence, and long-term thinking.

In each of our segments we serve our primary customer sets, consisting of consumers, sellers, developers, enterprises, and content creators. In addition, we provide services, such as advertising to sellers, vendors, publishers, authors, and others, through programs such as sponsored ads, display, and video advertising. We have organized our operations into three segments: North America, International, and Amazon Web Services (AWS).

We design our stores to enable hundreds of millions of unique products to be sold by us and by third parties across dozens of product categories. Customers access our offerings through our websites, mobile apps, Alexa, devices, streaming, and physically visiting our stores. We also manufacture and sell electronic devices, including Kindle, Fire tablet, Fire TV, Echo, Ring home security products, and other devices, and we develop and produce media content. In addition, we offer Amazon Prime, a membership program that includes unlimited free shipping and other benefits. We fulfill customer orders



in a number of ways, including through: North America and International fulfillment and delivery networks that we operate; co-sourced and outsourced arrangements in certain countries; digital delivery; and through our physical stores. We operate customer service centers globally, which are supplemented through co-sourced arrangements. We offer programs that enable sellers to grow their businesses, sell their products in our stores, and fulfill orders through us. We are not the seller of record in these sellers' transactions. We earn fixed fees, a percentage of sales, per-unit activity fees, interest, or some combination thereof, for our seller programs.

We serve developers and enterprises of all sizes, including startups, government agencies, and academic institutions through our AWS segment, which offers a broad set of on-demand technology services—including compute, storage, database, and machine learning—and other service offerings. AWS is the world's most comprehensive and broadly adopted cloud platform; we sell over 200 fully featured AWS services from data centers globally.

► [MORE INFORMATION ABOUT AMAZON CAN BE FOUND IN OUR MOST RECENT ANNUAL REPORT AND OUR LATEST PROXY STATEMENT](#)

As of December 31, 2020, Amazon employed approximately 1.3 million full-time and part-time workers across the globe.

Letter from Kara Hurst

It is said that "good things come in threes." For this, our third Amazon Sustainability Report, we are happy to share some good news, along with the challenges we face, around our progress toward meeting our sustainability commitments. Now in our third year, we are able to observe more complete data than ever before, including trend lines of our path to decarbonization.

We know all progress is not linear, and if any year demonstrated that forecasting is difficult, it was 2020. Over the past 12 months, our world has endured unprecedented challenges. Everything about how we work, learn, travel, and live was examined, revalued, and, to some extent, upended in 2020. As change can bring about critical reflection and collective introspection, the last year has forced us to rethink how infrastructure and the built environment have set in motion environmental impacts for years to come, and we need to continue to seek new technologies, products, and services to access the things we need. At the same time, we must also directly confront how systemic racism is hurting people, including how marginalized communities face disproportionate negative environmental impacts—and we need to do better.

This is the start of a defining and decisive decade. The COVID-19 pandemic took millions of lives and dramatically impacted our families, our customers, our employees, and our global value chain. But it has also brought about a moment of pause and an opportunity to reconsider the resiliency of both humankind and our planet, making it clear how interconnected and interdependent we all are. By keeping the past year's learnings in mind, we can successfully address societal shifts, avoid the worst impacts of climate change, and meet the Sustainable Development Goals.

Our resolve is driven by science, and the science tells us that we have a limited window to act and stay below a predicted 1.5-degree Celsius global temperature rise. In 2019, the Intergovernmental Panel on Climate Change



told us that the world needed to move faster. At Amazon, we realized we needed to move faster too. This was the beginning of The Climate Pledge—a commitment that we co-founded with Christiana Figueres, architect of the Paris Agreement, to be net-zero carbon by 2040—10 years ahead of the Paris Agreement.

We know that addressing the global crisis of climate change will take a combination of big, bold commitments and everyday actions. We know that these commitments and actions have the power to not only stave off crisis, but to create a more beautiful, livable, and breathable planet, with better jobs and increased economic development for all. Amazon plans to be at the heart of the change, starting with actions we are taking within our own company, and extending those solutions out to our customers, suppliers, vendors, and sellers.

We are committed to building a sustainable business for our customers and the planet, and we've taken big steps in that direction:

- We reached 65% renewable energy across our business in 2020 and became the world's largest corporate purchaser of renewable energy. We are on an accelerated path to power our global operations with 100% renewable energy by 2025.
- We are electrifying our delivery vehicles and transportation network. To date, we have delivered more than 20 million packages to customers in electric delivery vehicles across North America and Europe.
- We offer an average starting pay of over \$17 per hour in our fulfillment and logistics network, along with industry-leading benefits for full-time employees. We are also advocating for an increase in the federal minimum wage to \$15 per hour.
- We set, and met, goals in 2020 to double the representation of Black directors and vice presidents, and we set new diversity, equity, and inclusion goals for 2021 that will further diversify our company.

We cannot go this alone, nor would we want to. To create lasting and systemic change on our planet, we are focused on—really, borderline obsessed with—driving change beyond Amazon, and in partnership with others. We have seen over 100 other companies join The Climate Pledge in the last year, a number that is an incredible testament to what this type of collaboration can yield. The list of signatories is growing each month, and signatories in total generate more than \$1.4 trillion in global annual revenues and have more than 5 million employees across 25 industries and 16 countries. We stand together in our belief that accelerating action to achieve net-zero carbon emissions by 2040 is the right thing to do for our planet and our businesses.

At Amazon, we are also serving as a catalyst, sending signals to the market to drive a faster transition to a low-carbon economy:

- We purchased 100,000 electric vehicles from Rivian, all of which will be on the road by 2030.
- We created The Climate Pledge Fund—a \$2 billion investment to support the development of technologies and services that reduce carbon emissions and help preserve the natural world—and already invested in seven visionary companies.
- We launched the AWS Clean Energy Accelerator to help startups working in clean energy accelerate their impact, access additional resources, and expand their reach.
- We served as a founding participant of the LEAF Coalition, a global public-private initiative that aims to raise at least \$1 billion to protect the world's tropical rainforests.
- We launched Climate Pledge Friendly in 2020 to help customers find products that preserve the natural world, and we partnered with trusted third-party certification organizations to highlight products that meet sustainability standards.

We are relentlessly optimistic about the future. We know that crossing the finish line won't be easy, and there's still lots of exploring and inventing that needs to happen. But with passion and partnership, we believe we can build a better future together.

Join us to go further and faster, together.

Kara Hurst
Vice President, Worldwide Sustainability





Our Progress in 2020



Building a sustainable business for our employees, customers, and communities

As part of Amazon's mission to be Earth's most customer-centric company, we are committed to building a sustainable business for our employees, customers, and communities. We are driving toward a net-zero carbon future where the people that support our entire value chain are treated with dignity and respect.

Amazon's 2020 Sustainability Report builds on our sustainability progress over the last decade—particularly since 2019 when we co-founded The Climate Pledge and announced our commitment to achieve net-zero carbon emissions across our business by 2040. This report also includes our work on a wider range of Amazon commitments and initiatives to support our employees, our supply chain partners, and the communities where we operate around the world.



Our Progress | Environment

Climate Pledge Fund



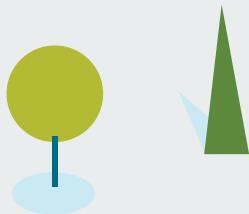
Launched The Climate Pledge Fund, a \$2 billion investment program to support the development of sustainable and decarbonizing technologies and services, and invested in several visionary companies



the world's first net-zero carbon arena

Secured the naming rights to Climate Pledge Arena and submitted registration to become the world's first net-zero carbon certified arena

65%



Became the world's largest corporate purchaser of renewable energy and reached 65% renewable energy across our business

20

Like many companies and countries that invest in long-range goals, we know that the path to achieving net-zero carbon will be challenging, perhaps not following a linear progression from year to year. A goal of this scale requires bold commitments and innovation to transform our entire business over a prolonged period of time, along with perseverance and daily actions by business leaders. Across our company, we are laying the groundwork for the next 20 years of accelerated progress, starting with real-time carbon reporting structures to equip teams with actionable data and

help them reduce carbon emissions in every part of our business. At the same time, we are making significant investments in both proven and emerging technologies to address the largest contributors to our carbon footprint—deploying new renewable energy projects, electrifying our fleet of delivery vehicles, retrofitting buildings, and more. We are also helping to build a cross-sector community of companies, organizations, and partners through The Climate Pledge to collectively solve the challenges of decarbonizing our economy.



Our Progress | People

40,000



Employed more than 40,000 veterans and military spouses, surpassing our goal of 25,000 by 2021

Pay Equity

Women at Amazon earned 100.0 cents for every dollar that men earned performing the same jobs, and minorities earned 99.2 cents for every dollar that white employees earned performing the same jobs

100%



Our commitment to a sustainable future depends upon the people who support our value chain each and every day—from the factory workers who make the products we sell, to the associates in our fulfillment centers, to the drivers who deliver packages to our customers. We are committed to ensuring our employees, workers, and communities are treated with dignity and respect. While these fundamental values have been long-held at Amazon, in 2019, we codified them into a set of Human Rights Principles, reaffirming our commitment to human rights and outlining our approach across



Launched the \$2 billion Housing Equity Fund to preserve and create more than 20,000 affordable homes in the U.S.

\$2B

Trained 100% of our internal fleet of drivers to identify and respond to potential victims of human trafficking they might encounter on the road through the Truckers Against Trafficking curriculum

all aspects of our business. In 2020, we built upon this commitment initiating a human rights saliency assessment in accordance with the United Nations Guiding Principles on Business and Human Rights. The results of this assessment help us prioritize key areas where we have the greatest opportunity to have a positive impact on workers and communities. We know we have more to do, and we are committed to continuously widening our lens to better understand the potential human rights impacts of our business.

Our Progress | COVID-19

AWS Diagnostic Development Initiative



Launched the \$20 million AWS Diagnostic Development Initiative to accelerate COVID-19 research

Millions of Masks

Distributed personal protective gear, including millions of masks for employees



We are proud of the progress we made toward our sustainability goals and commitments in 2020, a year of unprecedented challenges for our world. Since the early days of the COVID-19 pandemic, we worked nonstop to make hundreds of changes to our operational processes to protect the health of our employees and communities. We invested more than \$11.5 billion in COVID-related initiatives, with safety measures, supplies, and special benefits for our

front-line employees. When jobs were lost during the pandemic, Amazon helped get people back to work: we hired 500,000 new employees, whose jobs in hospitality, restaurants, travel, and other industries had been lost or furloughed. To support the communities that we are proud to call home, we donated millions of dollars in cash grants and in-kind contributions to local businesses and organizations fighting the COVID-19 outbreak across the globe.

\$25 million

Established a \$25 million relief fund for partners and seasonal associates facing financial hardship or quarantine during the COVID-19 pandemic

\$11.5B

Provided more than \$2.5 billion in bonuses and incentives for our teams globally, part of the \$11.5 billion we invested in COVID-19-related measures overall in 2020





Environment



In 2019, Amazon co-founded The Climate Pledge—a commitment to achieve net-zero carbon emissions across our business by 2040 and to invite others to sign on to this new level of ambition.



As part of our path to the Pledge, Amazon has made significant commitments toward reaching our goal:

Renewable Energy

On a path to powering our operations with 100% renewable energy by 2025

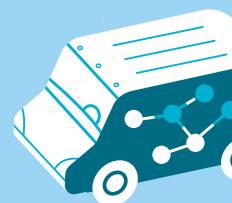
Shipment Zero

Making 50% of all shipments net-zero carbon by 2030

Net-Zero Carbon

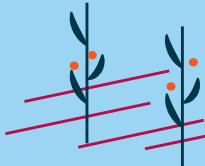
Reaching net-zero carbon emissions across our operations by 2040

100K
100M
2B



Electric Delivery Vehicles

Deploying 100,000 custom electric delivery vehicles by 2030

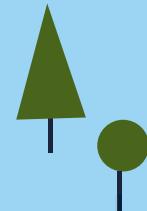


Right Now Climate Fund

Investing \$100 million in reforestation projects and climate mitigation solutions

Climate Pledge Fund

Investing \$2 billion to support the development of decarbonizing technologies and services



Our Carbon Footprint

While Amazon's 2020 carbon footprint reflects the growth of our business to meet increasing customer demand during the COVID-19 pandemic, we made significant progress in reducing the carbon intensity of our business activities in 2020, following our investments in large-scale, long-term decarbonization solutions. We also saw a decrease in the absolute emissions from purchased electricity—a result of our investments in global renewable energy projects that came online in 2020—despite increasing our buildings square footage to keep pace with our business growth. Our renewable energy investments made Amazon the world's largest corporate buyer of renewable energy in 2020, and we achieved 65% renewable energy across our operations, up from 42% in 2019.

Like many companies and countries in high growth mode, we consider both the absolute tons of carbon in our footprint and the change in our carbon intensity. Our carbon intensity metric quantifies total carbon emissions, in grams of carbon dioxide equivalent (CO₂e), per dollar of gross merchandise sales (GMS). It is a metric commonly used to benchmark performance year over year, as it provides a relative comparison between annual metrics regardless of other changes to our business. This metric is helpful to assess our progress toward our Climate Pledge goal of reaching net-zero carbon by 2040, even as our business grows.

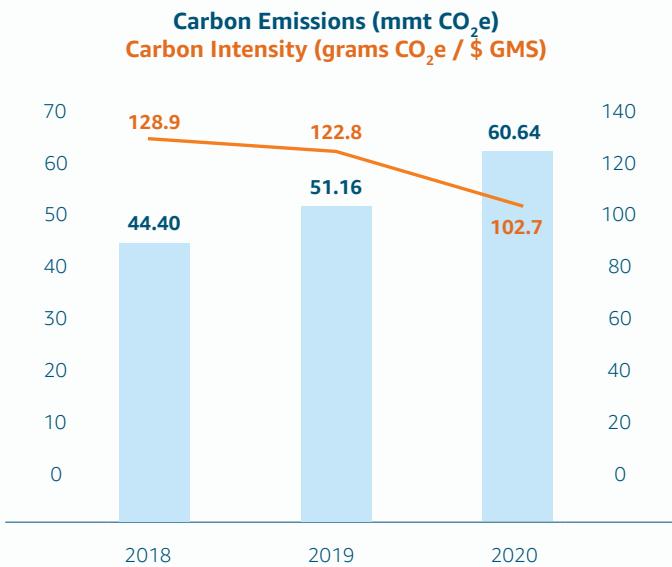
While Amazon's business grew significantly in 2020 and our absolute carbon emissions increased 19% during the same period, our overall carbon intensity decreased 16%, from 122.8 grams of CO₂e per dollar of GMS in 2019 to 102.7 grams of CO₂e per dollar of GMS in 2020. This carbon intensity value is in line with the targets we are developing through the [Science Based Targets Initiative](#) (SBTi), the industry leader in helping companies set science-based



What is a carbon footprint?

Our corporate carbon footprint quantifies the total greenhouse gas emissions attributed to Amazon's direct and indirect operational activities. We use a comprehensive, hybrid carbon footprint approach to transform physical and financial data into emissions measurements for Amazon's specific business activities. This allows us to calculate Amazon's total impact on the climate, map the largest activities contributing to this impact, and develop meaningful carbon reduction strategies to reach net-zero carbon emissions across our business by 2040.

See Amazon's 2018-2020 carbon footprint on page 111.



emissions reduction targets. Amazon joined SBTi in May 2020 and will publish our science-based targets in 2022, in accordance with SBTi's target setting process.

This year-over-year carbon intensity comparison reflects our early progress to decarbonize our operations as we also continue to grow as a company. Nearly half of our carbon intensity improvement is a result of our investments in renewable energy and operational efficiency enhancements. A third of this improvement reflects a shift in customer and employee behavior due to the COVID-19 pandemic. Customers made fewer trips to our Whole Foods

Market stores and other Amazon physical stores in 2020 and shifted to home delivery instead, which generates lower carbon emissions. We also saw less business travel and employee commuting as a result of many of our employees working from home for most of the year.

We also saw a reduction in our carbon intensity at the package fulfillment level, which measures the emissions from our business activities to deliver packages to our customers' doorsteps. This calculation—measured in grams of CO₂e per package delivered—includes the emissions generated by our fulfillment operations where items are picked off the shelf and packages are sorted, the well-to-wheel emissions across our transportation network, and the lifecycle emissions of the packaging we use to protect items during transit. Similar to our overall carbon intensity improvement, this reduction was driven by a combination of our investments in renewable energy to power our fulfillment facilities, efficiencies in our transportation network to deliver packages, and reductions in the packaging materials we use for each package.

It will take several years for the carbon reduction benefits of our investments to be fully reflected in our footprint. While we are still in the early phase of decarbonizing our business, we are pleased to see meaningful progress in several areas. We will continue to rapidly scale our investments in carbon reduction solutions that have large, long-term impacts that will move us forward on our path to net-zero carbon by 2040. As these investments become embedded across our business, our carbon emissions will continue to decouple from our business growth, reflected in our carbon intensity metric. Eventually, we will reach a point where the absolute carbon emissions of our business will drop, even as our business itself grows.

This report covers the extensive investments and efforts we are making across Amazon to decarbonize our business through our Climate Pledge commitment of achieving net-zero carbon emissions by 2040.

► [LEARN MORE ABOUT THE SCIENCE AND TECHNOLOGY BEHIND OUR CARBON FOOTPRINT IN OUR CARBON METHODOLOGY](#)

► [READ THE GREENHOUSE GAS EMISSIONS VERIFICATION STATEMENT FROM OUR THIRD-PARTY AUDITOR, APEX](#)

Shopping Online vs. In Store

Amazon's sustainability scientists have spent years developing the models, tools, and metrics to measure our carbon footprint. Their detailed analysis found that shopping online consistently generates less carbon than driving to a store, since a single delivery van trip can take approximately 100 roundtrip car journeys off the road on average. Our scientists developed a model to compare the carbon intensity of ordering Whole Foods Market groceries online versus driving to the nearest Whole Foods Market store. The study found that, averaged across all basket sizes, online grocery deliveries generate 43% lower carbon emissions per item compared to shopping in stores, and smaller basket sizes generate even greater carbon savings.



The Climate Pledge

The Climate Pledge has more than 100 signatories across 25 industries and 16 countries as of June 2021.

The Climate Pledge is a commitment to achieve net-zero carbon by 2040—10 years ahead of the Paris Agreement. Signatories of the Pledge form a cross-sector community of companies, organizations, and partners working together to address the climate crisis and solve the challenges of decarbonizing our economy. Joining The Climate Pledge is an opportunity for companies to be part of a community of leading businesses committed to transformational action to protect the global economy from the disruptive risks associated with climate change.

► [VISIT THE CLIMATE PLEDGE WEBSITE](#)



Signatories of The Climate Pledge agree to three principal areas of action:

Regular Reporting

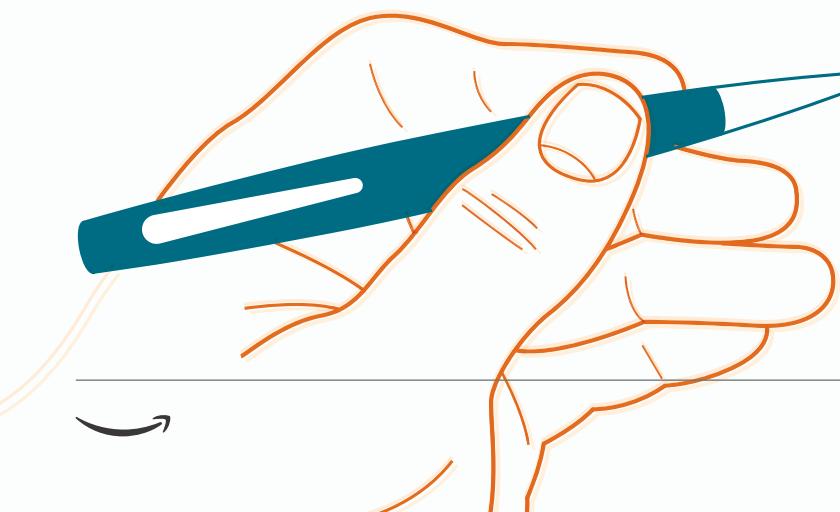
Measure and report greenhouse gas emissions on a regular basis.

Carbon Elimination

Implement decarbonization strategies in line with the Paris Agreement through real business changes and innovations, including efficiency improvements, renewable energy, materials reductions, and other carbon emission elimination strategies.

Credible Offsets

Neutralize any remaining emissions with additional, quantifiable, real, permanent, and socially-beneficial offsets to achieve net-zero annual carbon emissions by 2040.



Co-Founding The Climate Pledge

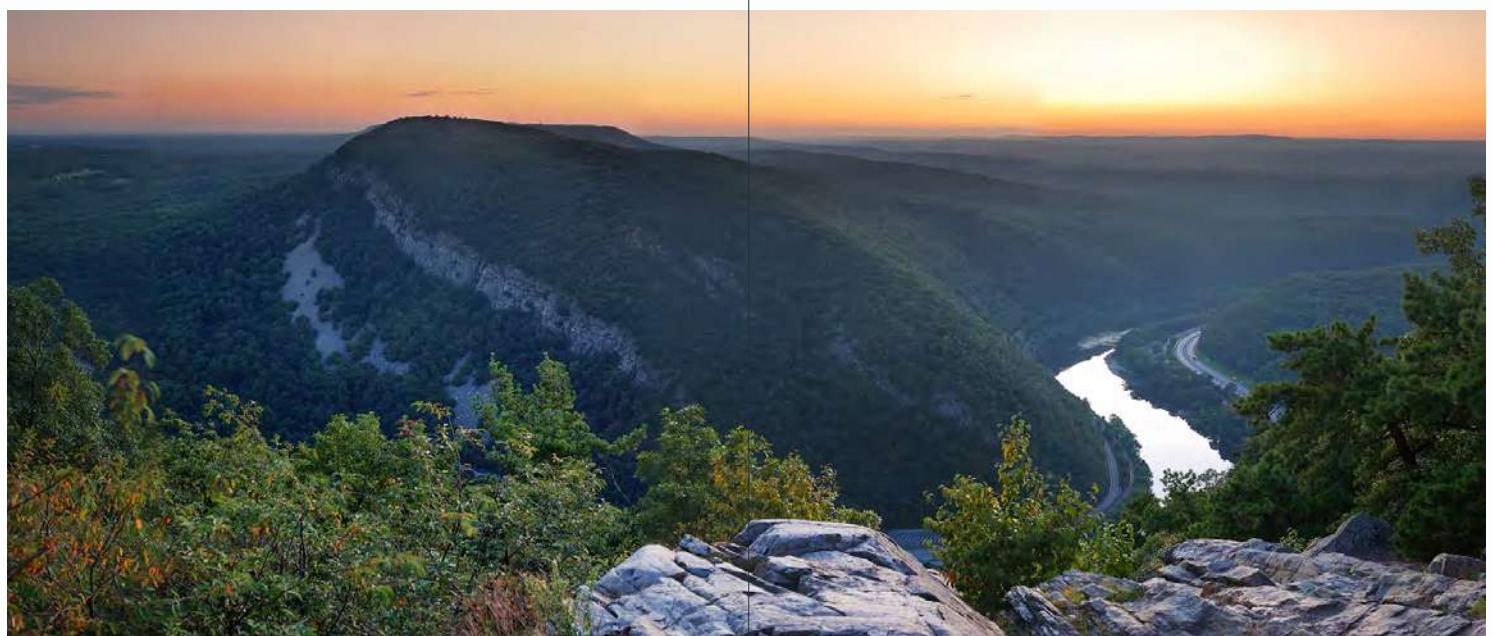
Scientists tell us that we have a limited window to make unprecedented headway in order to limit global warming to 1.5 degrees Celsius by 2050. No one company or organization can do this on its own. Everyone must do their part in this unprecedented effort—business does not operate in a vacuum. To drive collective, cross-sector action, in 2019, Amazon co-founded The Climate Pledge with Global Optimism, on the conviction that global businesses are responsible, accountable, and able to act on the climate crisis.

Partnering to Drive Change

The Climate Pledge and Global Optimism are partnering with the We Mean Business coalition and several other organizations in the largest effort to date to mobilize the private sector to reach net-zero carbon by 2040. This partnership will demonstrate that corporate leaders can go further and faster on climate action. The Climate Pledge and We Mean Business coalition also provide resources and support to TED Countdown, Race to Zero, and the Science Based Targets Initiative (SBTi), urging companies to respond to the climate crisis by setting specific, measurable targets.

We've decided to use our size and scale to make a difference. If a company with as much physical infrastructure as Amazon—which delivers more than 10 billion items a year—can meet the Paris Agreement 10 years early, then any company can.

— Jeff Bezos, Amazon Founder and CEO



The Climate Pledge Fund

The Climate Pledge Fund is a corporate venture capital fund that invests in companies that can accelerate Amazon's path to meeting The Climate Pledge. Amazon launched The Climate Pledge Fund in 2020 to support the development of sustainable and decarbonizing technologies and services. This dedicated investment program—with an initial \$2 billion in funding—invests in visionary companies whose products and solutions will facilitate the transition to a low-carbon economy.

The Climate Pledge Fund invests in companies across multiple industry sectors with an initial focus on:

- › Transportation and logistics
- › Energy generation, storage, and utilization
- › Manufacturing and materials
- › Circular economy
- › Food and agriculture
- › Renewable energy technology



Climate Pledge Fund Investments

Since launching The Climate Pledge Fund in 2020, Amazon has made investments in the following companies.

BETA Technologies: BETA Technologies is an electric Vertical Takeoff and Landing (eVTOL) company that is building electric aircraft that can be used in cargo and logistics. Their first aircraft, the ALIA, is capable of flying cargo and logistics missions. Amazon is investing in a variety of companies that can advance our path to zero-emissions package delivery.

CarbonCure Technologies: CarbonCure Technologies has commercialized lower carbon concrete. CarbonCure's process works by injecting recycled carbon dioxide into fresh concrete during mixing, permanently sequestering carbon dioxide and enabling the reduction of cement content in mixes without impacting concrete performance. Amazon is working to lower the embodied carbon footprint of our buildings by using CarbonCure concrete in new construction, including in Amazon's second headquarters in Virginia.

Infinium: Infinium is a renewable electrofuels solution provider that converts carbon dioxide and hydrogen feedstocks into net-zero carbon fuels for use in today's air transport, marine freight, and heavy truck fleets. Infinium electrofuels enable organizations to meet their carbon reduction goals by accelerating the transition away from fossil fuels. Amazon is investing in Infinium to support decarbonization efforts in the transportation sector.

Ion Energy: Ion Energy is a software developer based in Mumbai and Paris that provides advanced battery management solutions to owners and operators of battery fleets used in stationary and mobile applications. Ion Energy's software and modeling tools provide a look into the state of life of those batteries, and improve the way batteries are charged and drained for maximum value. Amazon operates batteries across our operations and we believe energy storage will play an important role in achieving net-zero carbon.

Pachama: Pachama is a climate technology company that is democratizing access to nature-based carbon markets. Pachama's technology harnesses satellite imaging with artificial intelligence to verify the impact of carbon capture in nature-based offset projects around the world. Amazon is investing in Pachama to expand the use of nature-based solutions for carbon sequestration.



Redwood Materials: Redwood Materials is commercializing a full process and suite of technologies for recycling end-of-life lithium-ion batteries and e-waste into high value metals and chemicals. With Amazon's commitment to electric delivery and electrification infrastructure, Redwood Materials has the potential to help Amazon properly recycle electric vehicle batteries and reuse their components. Redwood Materials can also help recycle the lithium batteries and e-waste from other parts of Amazon's businesses.

Rivian: Rivian is an electric vehicle maker and automotive technology company that develops and produces vehicles, products, and services related to sustainable transportation. Amazon ordered 100,000 custom electric vehicles from Rivian in 2019, and has since participated in the company's latest rounds of investment. With the proceeds from these investments, Rivian is further developing and integrating its connected electric platform with Amazon's last mile delivery network.

Turntide Technologies: Turntide Technologies develops efficient motor technologies that reduce the energy consumed by heating, ventilation, and air conditioning in buildings. Amazon is piloting Turntide's motors in a number of our buildings, significantly reducing electricity usage.

ZeroAvia: ZeroAvia is a leader in zero-emission aviation, focused on developing hydrogen-electric aviation solutions that will progressively enable turbo-propeller aircraft to

transport passenger or cargo payloads with zero carbon emissions. Amazon is investing in ZeroAvia to support decarbonization efforts in the transportation sector.

► [VISIT THE CLIMATE PLEDGE FUND TO LEARN MORE OR MAKE AN INQUIRY](#)

The Climate Pledge Fund is another important example of how the collaborative effort of The Climate Pledge can accelerate the transition to a net-zero world.

– Christiana Figueres, Former Executive Secretary of the United Nations Framework Convention on Climate Change and Co-Founder of Global Optimism



Nature-Based Solutions

Nature-based solutions are conservation, restoration, and improved land management activities that increase carbon storage in areas such as forests, wetlands, peatlands, and grasslands. Nature-based solutions provide additional benefits to preserve the natural world, such as conserving wildlife habitats, protecting biodiversity, improving water quality, and reducing flood risk. All of these benefits can enhance well-being in communities around the world.

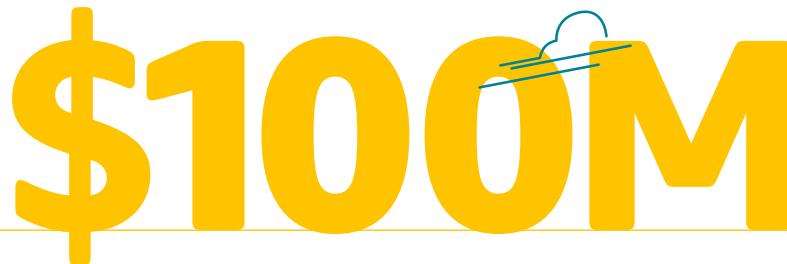
Amazon uses nature-based solutions to mitigate carbon emissions outside of our value chain, supplementing the carbon-reduction efforts we are driving across our business operations. We follow scientific research to fund initiatives that are critical to hitting the targets of the Paris Agreement and staving off the most catastrophic effects of climate change. We also focus on large-scale transformations which would be unlikely to occur without significant new investment.

Right Now Climate Fund

In 2019, Amazon created the Right Now Climate Fund, a \$100 million fund to restore and conserve forests, wetlands, and grasslands around the world. Through the Right Now Climate Fund, Amazon is taking immediate action to avoid and remove carbon emissions by supporting nature-based climate solutions.

Global Projects

Amazon identifies initiatives that create real and lasting carbon reductions, while also empowering communities, enhancing natural environments, and protecting wildlife.



\$100M

To restore and conserve forests, wetlands, and grasslands around the world

Protecting the World's Tropical Rainforests

In 2021, Amazon joined the LEAF (Lowering Emissions by Accelerating Forest finance) Coalition, a global initiative of governments and leading companies that aims to raise at least \$1 billion to protect the world's tropical rainforests. This ambitious public-private project is designed to accelerate climate action by providing financing to help countries protect their tropical rainforests. The LEAF Coalition is expected to become one of the largest initiatives ever to protect tropical forests and support sustainable development, and will benefit billions of people around the world who depend on rainforests.

To mobilize financing, coalition participants pay for high-quality emissions reductions from tropical and subtropical forest countries, supporting efforts to reduce and end deforestation. Along with Amazon and other leading companies, the coalition's initial participants include the governments of Norway, the United Kingdom, and the United States.



Family Forest Carbon Program and Forest Carbon Co-Ops

In 2020, Amazon committed \$10 million to support two programs in collaboration with The Nature Conservancy. These programs, the Family Forest Carbon Program and the Forest Carbon Co-Op Project, help family forest owners sequester carbon across the Blue Ridge to Boreal region of the eastern United States. Scientists at The Nature Conservancy have identified this network of land as disproportionately important for conserving biodiversity and mitigating climate change. Across the U.S., more than 10 million families and individuals own 38% of forest lands, making family forest owners critical partners in conservation and restoration efforts.

The Family Forest Carbon Program opens up carbon credit markets to owners of small forests for the first time. Amazon's support expands this program in the Appalachians and other U.S. regions, promoting the design of new methods to measure and verify reforestation and forest management practices.

The Forest Carbon Co-Op helps owners of mid-sized forests use sustainable forest management and protection measures to earn income through the carbon credit market. Amazon's grant supports efforts to expand the program in climate resilient forests across the

Appalachians, develop a scientific approach to regional carbon impact measurement, and enhance the project verification methodology.

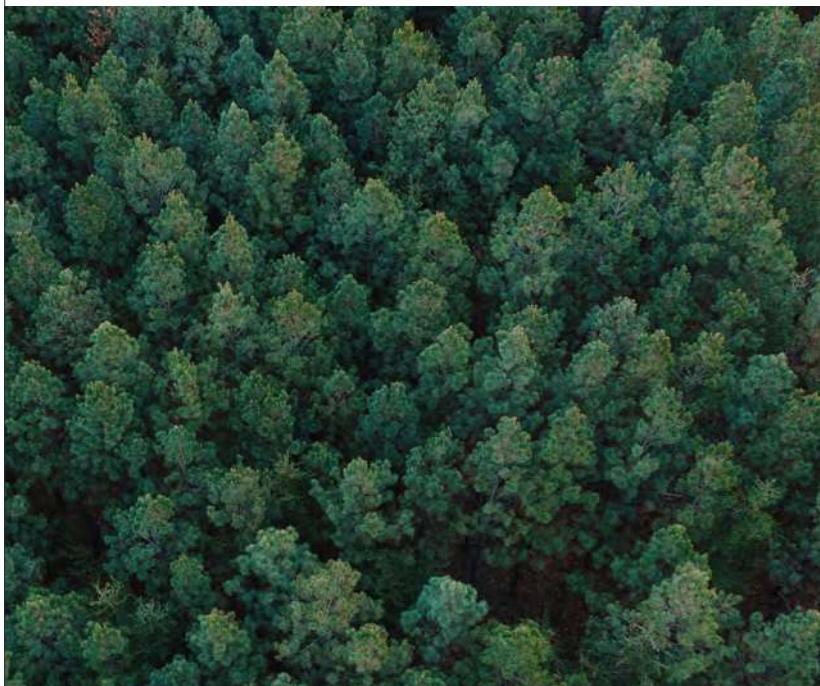
As the largest funder of these programs, Amazon is enabling an estimated net reduction of 18.5 million metric tons of carbon dioxide in the atmosphere by 2031, equivalent to a year of emissions from nearly 4 million U.S. cars. Our investment supports conservation and sustainable land management of 4 million acres of family forests across a 2,000-mile span of the Appalachians and beyond. Amazon's support also generates local economic opportunities by creating a new source of income for family forest owners and rural communities that taps into the carbon storage potential of forests.

Urban Greening in Germany

In 2020, Amazon committed €3.75 million to The Nature Conservancy's Urban Greening program to help cities promote biodiversity, reduce urban heat islands, and improve stormwater management in the face of climate change. With Amazon's support, the program launched in Berlin's Charlottenburg-Wilmersdorf district in 2020 and will expand to two additional German cities over five years. The goal is to share a guide to urban greening with municipalities across Europe by the end of the five-year project.

Bringing together government and private-sector resources is a necessary step in supporting the large-scale efforts that must be mobilized to halt deforestation and begin to restore tropical and subtropical forests.

– John Kerry, U.S. Special Presidential Envoy for Climate



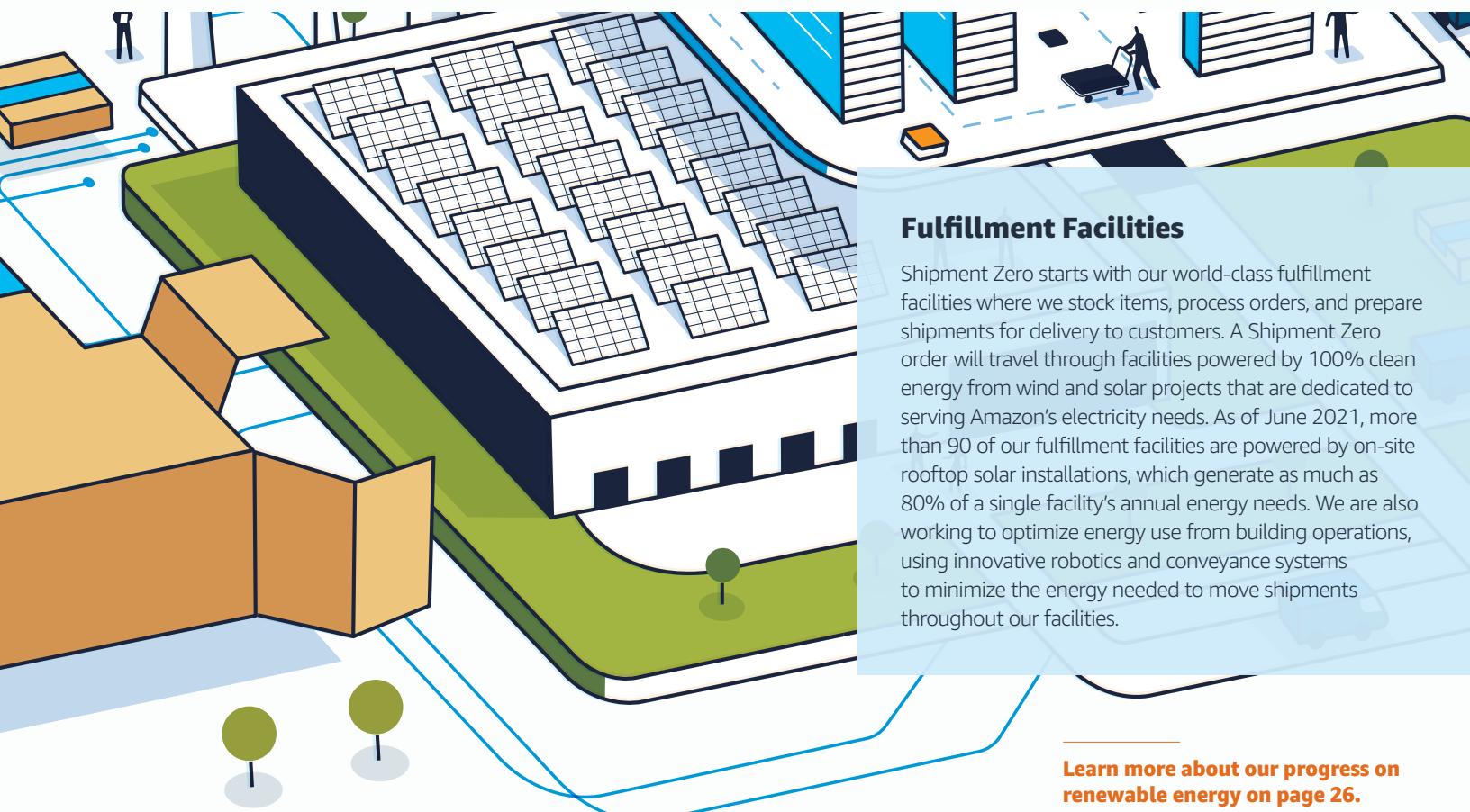
Sustainable Operations

Amazon is taking a broad, science-based approach to reducing carbon emissions and improving efficiency across our operations.



Shipment Zero

Shipment Zero is our goal to deliver 50% of Amazon shipments with net-zero carbon by 2030. Achieving Shipment Zero means that the fulfillment operations we undertake to deliver customer shipments are net-zero carbon—from the fulfillment center where an item is picked off the shelf, to the materials used to package the item, and the mode of transportation that gets the package to the customer's door.



Fulfillment Facilities

Shipment Zero starts with our world-class fulfillment facilities where we stock items, process orders, and prepare shipments for delivery to customers. A Shipment Zero order will travel through facilities powered by 100% clean energy from wind and solar projects that are dedicated to serving Amazon's electricity needs. As of June 2021, more than 90 of our fulfillment facilities are powered by on-site rooftop solar installations, which generate as much as 80% of a single facility's annual energy needs. We are also working to optimize energy use from building operations, using innovative robotics and conveyance systems to minimize the energy needed to move shipments throughout our facilities.

Learn more about our progress on renewable energy on page 26.



Transportation

A Shipment Zero order will be transported in an electric delivery vehicle, or by a delivery associate on foot or on a bicycle. We are adopting electric and alternative delivery solutions across our network, and have made major investments in vehicle electrification, from the delivery vehicles themselves, to the charging infrastructure that powers the vehicles, to the renewable energy projects that produce clean energy. In 2020, we delivered more than 20 million packages using electric vehicles to customers across North America and Europe. We also leverage innovative technology to maximize efficiency on the road and reduce delivery distances by placing delivery stations close to large Amazon customer populations.

Packaging

A Shipment Zero order will ship without added Amazon packaging or in carbon neutral packaging. Thousands of products already qualify for delivery without additional Amazon boxes or packing materials through our Frustration-Free Packaging (FFP) programs, which incentivize manufacturers to develop more sustainable packaging solutions for online fulfillment. We are also developing new ways to deliver customer orders packaging-free. In more than 100 cities across India, for example, Amazon orders ship in their original packaging and are transported in protective containers that delivery drivers can reuse.

[Learn more about our progress on transportation on page 32.](#)

[Learn more about our progress on sustainable packaging on page 45.](#)



Renewable Energy

As part of our goal to reach net-zero carbon by 2040, Amazon is on a path to powering our operations with 100% renewable energy by 2025—five years ahead of our original target of 2030. In 2020, we became the world's largest corporate purchaser of renewable energy, reaching 65% renewable energy across our business.

As of June 2021, Amazon has 232 solar and wind projects across the globe. These projects have a combined capacity to generate 10,000 megawatts (MW) and deliver 27 million megawatt hours (MWh) of energy annually. These projects helped power the 24 million MWh of electricity consumed by Amazon in 2020 and led to a 4% reduction in our carbon emissions from purchased electricity from 2019 to 2020.

Scaling up the use of renewable energy is central to Amazon's strategy to decarbonize our operations. Clean energy sources, such as wind and solar, lessen Amazon's reliance on fossil fuels to power our operations and the services we provide to customers. We procure new renewable energy beyond the existing grid mix through off-site contracts for wind and solar, on-site rooftop solar installations, and green tariffs with local utilities that result in new projects being added to the grid.

Accounting for the Energy Consumed by Amazon Devices

In 2020, Amazon announced an ambitious goal to procure new renewable energy equal to the amount of energy consumed by all Amazon devices, starting with Echo devices. To understand what this goal should encompass, we model and measure the energy consumed by our devices in different types of use, then project their total average global annual electricity consumption. We have contracted the first new wind and solar farms to support this goal, which are currently under construction and are expected to begin operating in 2022-2023. Until then, we are investing in renewable energy certificates that match the quantity of electricity used by every customer's Echo device, based on the amount of energy we expect those new projects to generate.

- ▶ [LEARN MORE ABOUT OUR APPROACH IN OUR RENEWABLE ENERGY METHODOLOGY](#)
- ▶ [READ OUR 2020 RENEWABLE ENERGY ASSURANCE STATEMENT FROM OUR THIRD-PARTY AUDITOR, APEX](#)

65%

Renewable energy across our business in 2020



Around the Globe

Learn more about some of Amazon's renewable energy projects around the globe:

As of June 2021, Amazon's largest renewable energy investment is a wind project in the Netherlands. Scheduled for operation by 2024, this offshore wind farm will have an overall capacity of 759 MW. Amazon is purchasing more than half of that capacity—a total of 380 MW—to power our operations in Europe.

A solar farm in Pittsylvania County, Virginia, will power Amazon's new headquarters in Arlington and other Amazon operations in the region, including Whole Foods Market stores and Amazon fulfillment centers. Amazon is sharing the project with Arlington County through a public-private partnership. Amazon has contracted 82 MW of the new 120-MW solar farm and Arlington County will take the remainder of the energy generated from this project, which is planned for completion by the first quarter of 2022.

Our first renewable energy project in Singapore is a 62-MW system of ground-mounted solar panels. This system allows for the solar panels to be optimally positioned to capture sun exposure as weather conditions change. Upon its completion in 2022, the project is expected to generate 80,000 MWh of clean energy annually, enough to power more than 10,000 homes in Singapore.

In 2019, we installed the largest rooftop solar array in the state of Colorado at an Amazon fulfillment center in Thornton. The solar array comprises more than 17,000 panels spanning 19 acres, approximately the size of 14 football fields. The 6-MW system generates enough energy to provide up to 45% of the 855,000-square-foot facility's annual energy needs.

Our first operational off-site project in Europe is the Alcalá de Guadaíra solar park in Spain. This solar project provides 149 MW of renewable energy for Amazon logistics facilities and AWS data centers in Spain, equivalent to the energy needed to supply more than 30,000 Spanish homes.

In 2020, we unveiled Amazon's largest solar rooftop installation in Europe at a fulfillment center in the UK. The facility is outfitted with more than 11,500 solar panels, which generate enough electricity to power the equivalent of 700 homes in the UK for one year.

► EXPLORE OUR FULL LIST OF PROJECTS BY GEOGRAPHY ON [OUR WEBSITE](#)



Our Buildings

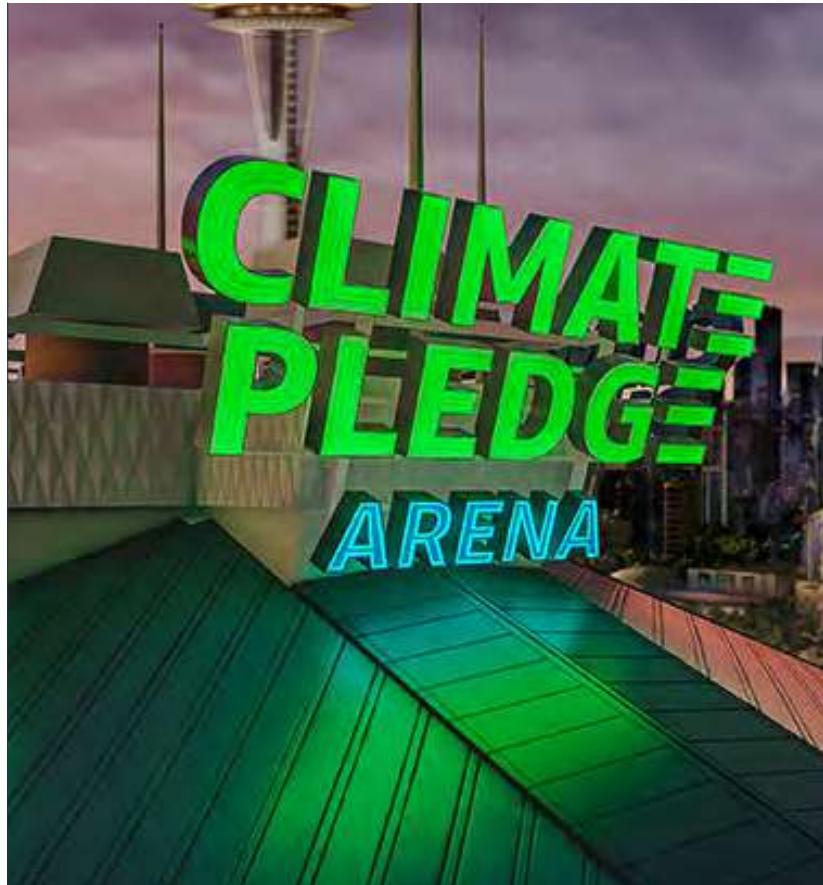
Amazon operates hundreds of world-class facilities in cities across the globe that serve our customers and support our local communities. We are designing buildings that help lead the industry toward net-zero carbon, while improving the resource efficiency of our facilities and prioritizing the health and wellness of our building occupants.

Decarbonizing Our Buildings

Amazon is working to reduce the carbon emissions associated with our buildings, from the carbon embodied in construction materials, to the operational emissions from powering our activities. In 2020, we launched an in-depth study of our operations facilities to examine the energy intensity of our buildings and identify ways to reduce carbon through energy efficiency enhancements, new technologies, and sustainable building materials. We have started applying these insights across building types and are incorporating best practices into future building development plans.

The World's First Net-Zero Carbon Arena

In 2020, Amazon secured the naming rights to [Climate Pledge Arena](#), slated to become the first net-zero carbon certified arena in the world. In November, the arena submitted its net-zero carbon registration to the International Living Future Institute, an industry leader in sustainable building practices. Construction plans for the arena preserve the building's existing roof and expand the underground structure to reduce the embodied energy use typical of new construction. The arena will feature all-electric operations systems powered by 100% renewable electricity from on-site solar panels and off-site renewable energy projects. Events at the arena will be made fully net-zero carbon by investing in forestry projects that sequester any remaining carbon emissions from the arena's operations through nature-based solutions. Additional commitments include eliminating single-use plastics, conserving water, and producing zero waste from the arena's operations.



Reducing Carbon at Arlington HQ

Plans for our [second headquarters](#) in Arlington, Virginia, feature a range of carbon reduction solutions and energy efficiency enhancements, including highly efficient building systems, high-efficiency lighting with advanced controls, and a high-performing building envelope that facilitates climate control. All-electric central heating and cooling systems will eliminate on-site combustion for heating and domestic hot water, and a nearby solar farm will power the campus with 100% renewable energy. The buildings will incorporate locally sourced materials, to reduce the carbon impact of material transportation, and low-carbon materials, including low-carbon concrete.

supplemented with Carbon Cure technology, a Climate Pledge Fund investment.

Buildings across our Arlington HQ are designed to achieve LEEDv4 Platinum certification, the highest green building certification by the U.S. Green Building Council. Our plans support the local community with five acres of landscaped public open space, new protected bike lanes, and urban design features that promote pedestrian connections and safety. Other human-centric design features include enhanced ventilation, increased access to daylight, and the Helix—an alternative work environment to support human connection with nature. The design of our Arlington HQ promotes wellness, collaboration, and connections to nature for the neighborhood and the 25,000 employees who will occupy the Arlington headquarters by 2025.

100%

**Renewable energy
powering our Arlington HQ**



Corporate Offices

Amazon's global corporate offices are located in vibrant communities and urban hubs. Many of our corporate buildings offer plazas and open green spaces for communal and public use. Even more feature green roofs and other green infrastructure that provide outdoor amenity space while supporting ecological functions like green stormwater management. The interiors integrate biophilic design concepts, such as green walls and locally sourced woods, along with energy-efficient lighting, composting and recycling, and amenity spaces for employee wellness. Many of our buildings also offer plug-in electric vehicle charging stations, bike parking,



and showers to encourage low-carbon transportation for employees and visitors.

Our flagship Seattle campus features some of our most innovative sustainable design practices. A [district energy system](#) below ground heats many of our buildings in the Denny Triangle neighborhood using waste heat generated from a neighboring data center. Above ground, employees and visitors can enjoy [The Spheres](#), an alternative workplace and indoor plant conservatory, with 40,000 plants from the cloud forest regions of more than 30 countries, and a 4,000-square-foot green wall. Many of our Seattle office towers are certified LEED Gold, incorporating holistic sustainability measures for energy and water conservation, improved indoor environmental quality, and healthy material selection.

On the other side of the world, our offices in Munich are certified Gold for environmental design by the German Sustainable Building Council based on their energy-efficient interiors and use of sustainable building materials. In Luxembourg, efficient chillers and an advanced building management system cut energy costs, while rooftop beehives supply honey, and food is served in compostable and biodegradable containers.





Operations Facilities

Amazon's operations facilities include a variety of building types and sizes where we process orders for our customers. To minimize energy use, these facilities feature state-of-the-art technology and are designed with efficient building systems. We are expanding our use of building control system technology and real-time data analytics to optimize our heating and cooling systems for occupant comfort while operating as efficiently as possible. Through building retrofits and energy studies, we are continuously improving and optimizing the efficiency of our operations, uncovering savings opportunities, and driving carbon out of our fulfillment operations.

Many of our operations facilities throughout the U.S., Europe, and India are powered by on-site solar, where a rooftop installation can power up to 80% of a facility's energy use. As of June 2021, we have more than 90 rooftop solar installations on operations facilities around the world and we continue to scale this program globally.

Amazon Physical Stores

Amazon Physical Stores provide a range of retail and grocery shopping experiences for our customers. Our physical stores use highly efficient LED lighting, with energy-reducing lighting controls, and incorporate natural

Solar Rooftops in India

Our operations teams in India began installing solar panels on buildings in 2017. As of June 2021, eight fulfillment centers and five sortation centers together produce a total of 12 MW of solar energy to power operations across facilities in Delhi, Hyderabad, Bangalore, Kolkata, and Mumbai.

daylighting techniques, such as skylights and large windows. We also utilize energy-efficient heating and cooling systems to reduce energy consumption. Across our grocery channels, we are replacing conventional refrigerants with natural alternatives that have a lower ozone depletion and global warming potential. In many of our new physical stores, we are increasing our use of doored cases for refrigerated products, enhancing energy efficiency and maintaining product quality for longer durations.

More than 30 of our Whole Foods Market stores already use refrigerants with low global warming potential and more than 100 facilities are adopting an alternative refrigerant from Honeywell. Among them is a flagship location in Brooklyn, New York, where state-of-the-art refrigeration and energy systems make the store approximately 60% more efficient than the average grocery store. Locations near San Francisco use advanced cloud computing, predictive analytics, and thermal energy storage to modulate their refrigeration systems during peak energy use. Whole Foods Market is a founding member of the North American Sustainable Refrigeration Council and a founding partner of the U.S. Environmental Protection Agency's GreenChill program, which helps food retailers transition to alternative refrigerants, reduce refrigerant charge sizes, eliminate leaks, and adopt green refrigeration technologies.

Data Centers

AWS is continuously working to increase the efficiency of our facilities, and our scale allows us to achieve higher resource utilization and efficiency than typical on-premises data centers. When possible, we incorporate direct evaporative technology for cooling our data centers, reducing energy

and water consumption. During cooler months, outside air is directly supplied to the data center without using any water. During the hottest months of the year, outside air is cooled through an evaporative process using water before being pushed into the server rooms, and we have optimized our cooling systems to minimize water usage. AWS has also demonstrated our commitment to water stewardship by using reclaimed or recycled water instead of potable water in multiple regions, and we are working with local utilities to expand the use of reclaimed water.

We are also working to reduce the embodied carbon of new data centers. Embodied carbon is the carbon emitted during the extraction, manufacturing, and transportation of materials to the data center construction site. It is dispersed in the atmosphere before the data center is operational. We are starting by reducing embodied carbon in the primary structural materials used in our data centers, concrete and steel. By reducing the cement content in our concrete and sourcing steel from electric arc furnace mills, we can reduce the embodied carbon in the structure of our data centers by at least 20%. These requirements are already included in projects in Dublin, Singapore, and San Francisco, and will be standard in our AWS-operated data centers by the end of 2021.



Recycling Heat from an AWS Data Center in Ireland

In Ireland, AWS is collaborating with the City of Dublin, the South Dublin County Council, and Fortum, a Finnish energy supply company, to bring district heating to South Dublin. By the end of 2021, recycled heat from an AWS data center will provide a low-carbon, low-cost source of heat for public sector, residential, and commercial customers in the Dublin suburb of Tallaght. [This custom-built district heating scheme](#)—the first of its kind in Ireland—helps support the country's renewable energy targets.

This project will meaningfully contribute to helping Ireland achieve its 2030 sustainability targets, and we look forward to future collaborations with AWS towards a low-carbon future in South Dublin.

– Eddie Conroy, Architect for the South Dublin County Council

Transportation

Transportation is a major component of Amazon's business operations and a key part of our plan to reach net-zero carbon by 2040. We are optimizing and transforming our transportation network through technological innovations, efficiency enhancements, and alternative solutions that allow us to deliver packages to our customers more sustainably.

Electrifying Our Delivery Fleets

In 2019, Amazon ordered 100,000 custom electric delivery vehicles from Rivian—the largest order ever of electric delivery vehicles. We rolled out the [first of these vehicles](#) in Los Angeles in February 2021 and will expand to neighborhoods in up to 15 additional U.S. cities by the end of the year. We plan to have 10,000 vehicles on the road as early as 2022 and all 100,000 vehicles deployed by 2030. One of the fastest-growing modern commercial electrification programs, this initiative is projected to save millions of metric tons of carbon per year once fully deployed.

In addition to these custom electric delivery vehicles, Amazon already operates thousands of electric vehicles worldwide, delivering more than 20 million packages in electric vehicles to customers across North America and Europe in 2020. We expanded our European electric delivery fleet with an order for [1,800 electric vans](#) from Mercedes-Benz, a signatory of The Climate Pledge. In India, we are adding [10,000 electric vehicles](#) to our existing fleet by 2025, including two-wheeler, three-wheeler, and four-wheeler vehicles designed and manufactured by local manufacturers. Hundreds of these vehicles are now on the road, operated by Amazon India's network of Delivery Service Partners in more than 20 cities across the country.

As we expand our electric delivery fleet worldwide, we are building the infrastructure to support our vehicles and drivers. We are retrofitting existing facilities with charging

technology and adding thousands of charging stations across hundreds of facilities for our partners to use in North America and Europe. More than 50 Amazon delivery stations across North America and Europe are equipped for electric vehicle usage, and all new delivery stations are designed with the physical layout and electrical capacity to meet the needs of our current and future electric delivery fleets. These facilities will be able to support parking and charging at night and deliveries during the day, including same-day deliveries and deliveries to lockers and businesses. We are also partnering with publicly accessible charging networks to allow drivers to top off with clean electricity when traveling outside of our charging network.

20 million

Packages delivered in electric vehicles to customers across North America and Europe in 2020



Alternative Delivery Methods

We use a range of alternative delivery methods to increase efficiency and reduce emissions on last mile routes to our customers' doorsteps. In dense, urban centers like New York City, Paris, and Tokyo, we deliver packages by bicycle and on foot, using push walkers. Our bicycle fleet includes traditional bicycles and pedal-assist electric bikes connected to cargo trailers that can carry up to 45 packages. We operate more than 300 e-cargo bikes to make deliveries from Whole Foods Market locations to customers in Manhattan and Williamsburg, New York. In

2021, we are expanding our micro-mobility fleet across 20 European locations to comprise more than 500 vehicles, including e-cargo bikes, electric scooters, and walkers.

We are also developing fully autonomous delivery innovations that can be powered by clean electricity. [Amazon Scout](#) and [Prime Air drones](#) are electrically-powered autonomous devices that can deliver packages to customers without the need for a delivery vehicle. These devices are currently being designed and tested to be able to transport small packages quickly, safely, and sustainably.

Testing New Solutions in Freight and Air Transport

Unlike last mile delivery, long-distance transport has few low-carbon technologies available. We are exploring, testing, and investing in sustainable innovations in freight and air transport to reduce emissions on our longest routes. We also use data and algorithms to consolidate as many shipments as possible onto a single vehicle or plane, and we analyze which items are ordered most frequently by location to minimize long-distance deliveries. By boosting efficiency across our network, we can put fewer vehicles and planes into service, reducing the carbon intensity of each package.

Freight Transport

We are investing in a variety of solutions to decarbonize our freight transportation network. In 2020, we ordered battery electric trucks from Lion Electric, and in 2021, we began testing hydrogen-powered trucks. We also launched compressed natural gas (CNG) tractors, which are fueled by renewable natural gas sourced from landfills and dairy farms. We plan to operate more than 2,700 of these tractors in North America, the UK, Germany, and France by the end of 2021. These initial investments allow us to test the performance of different sustainable technologies and determine which solutions could be most effectively scaled across our network.

While we work to adopt the most efficient, cutting-edge vehicle technologies, we are also maximizing efficiency in our existing fleets. Across North America and Europe, our fleet includes trailers in different sizes that are equipped with aerodynamic skirts, mud flaps, and automatic tire

The partnership between Amazon India and Mahindra Electric is a welcome step which reaffirms India's significant progress in the e-mobility industry, and highlights the role of auto makers and e-commerce companies to achieve our environmental sustainability goals.

– Shri Nitin Gadkari, Minister of Road Transport and Highways, Government of India

inflation systems. These features save an average of 100 gallons of diesel fuel per vehicle annually. In the UK, we use double-deck trailers that allow us to double the capacity of a normal trailer and reduce the number of trucks on the road. We are also expanding multimodal transport to reduce the emissions from road travel. In Europe, we predominantly use rail for inventory transfers between fulfillment centers and have expanded to short trips by sea and waterways.

Air Transport

To reduce the carbon emissions of air transport, we are investing in sustainable aviation fuels, which are derived from renewable resources and generate fewer carbon emissions than standard aviation fuel. In 2020, Amazon Air secured [6 million gallons](#) of sustainable aviation fuel, signaling our



demand for low-carbon aviation fuel alternatives. Since then, this fuel has been used to power some flights on the Amazon Air network in the U.S., reducing our carbon emissions in flight up to 20% over standard aviation fuel when this alternative is utilized. Most of our aircraft also feature design innovations like winglets, which improve fuel efficiency by reducing drag. On the ground, we use cutting-edge electric equipment to service our planes, and we are working to equip air cargo facilities with rooftop solar panels, to generate on-site renewable energy.

We are also investing in emerging sustainable aviation technologies through The Climate Pledge Fund. [ZeroAvia](#), a Climate Pledge Fund recipient, develops hydrogen-electric aviation solutions that will progressively enable turbo-propeller aircraft to transport passenger or cargo payloads with zero carbon emissions. The Climate Pledge Fund is also investing in [Infinium](#), a company that focuses on converting carbon dioxide and hydrogen feedstock into net-zero carbon fuels for use in today's air transport, marine freight, and heavy truck fleets. With support from The Climate Pledge Fund, these solutions will help Amazon transition away from fossil fuels across our transportation network.

Partnering with Experts and Industry

Transforming the transportation industry from one that uses fossil fuels to one based on clean energy requires

cross-sector stakeholder engagement among vehicle manufacturers, battery and component suppliers, state and local policymakers, fleet operators, and utilities. Amazon is working with industry experts and organizations to advance sustainability through collaboration and innovation in the transportation and logistics industries.

In 2020, Amazon partnered with Ceres and other fleet operators to launch the Corporate Electric Vehicle Alliance, bringing together companies that work to accelerate the transition to electric vehicles. This alliance helps aggregate corporate demand for transportation electrification, while also providing a platform to coordinate support for policies that enable fleet electrification. In 2021, members of the alliance published a [comprehensive report](#) on ways that utilities, regulators, and policymakers can enable fleet operators to electrify commercial transportation and reduce carbon emissions.

In 2017, Amazon signed the Sustainable Fuel Buyers' Principles developed by the nonprofit Business for Social Responsibility and its [Future of Fuels](#) working group. These principles provide a framework to catalyze the transition to a sustainable road freight transportation system. Amazon was one of 18 companies to sign the Buyer's Principles, demonstrating our commitment to accelerate the transition to low-carbon commercial transportation solutions.



Sustainability Ambassadors



More than 7,500 Amazonians have joined together as Sustainability Ambassadors—a grassroots organization of sustainability-minded employees working to expand the efforts of our global teams that manage Amazon's environmental and social impacts. Since launching in 2017, the Sustainability Ambassadors program has transformed into a collaborative community of more than 450 chapters across the world, and continues to grow.

Ambassadors raise awareness of sustainability as a practice for all Amazonians by delivering environmental education through on-site and virtual events. They lead projects and develop initiatives on Amazon campuses and across communities to help fellow Amazonians reduce their environmental impact at home or at work. The program also provides a community for sharing best practices among teams in different settings and locations.

7,500

Amazon Sustainability Ambassadors around the globe as of June 2021

Operations Ambassadors

Ambassadors in our operations organization focus on sustainability projects that help sites reduce carbon and operational waste. One example comes from an Ambassador team in Poland, where members redesigned the waste segregation process in their fulfillment center, improving waste recycling rates by more than 90%. At a fulfillment center in France, team members installed a food waste composter for associates to use at the end of their break times, generating compost that our associates are able to take home for their gardens. This solution is now being tested for adoption across our fulfillment centers in Canada. An Ambassador team in Italy identified the challenge of recycling personal protective equipment used to keep employees safe during the COVID-19 pandemic. The team found a waste services provider and set up a process to collect the used equipment, turning hard hats, gloves, and safety shoes into materials used for soundproofing walls and soft flooring for children's play areas.



Corporate Ambassadors

Ambassadors in our corporate offices also have a unique opportunity to launch ideas with data-driven analysis using Amazon technology. After auditing waste at our global headquarters in Seattle, Ambassadors developed a proposal to improve waste sorting using DeepLens—a deep learning-enabled video camera from AWS. A team of Amazon employees built a dataset and model that used DeepLens' object detection capabilities to identify the waste items being discarded and deploy built-in audio to help people identify the correct bin to use for a given item.

I have always believed in great challenges, in life and at work. I was upset that safety shoes were [being] thrown away. At Amazon, we found a way to recycle them, so that our shoes became floors for children's playgrounds. Alone we cannot do anything, but together we can change the world.

— Maxim B., Amazon Workplace Health and Safety Manager, Vercelli, Italy

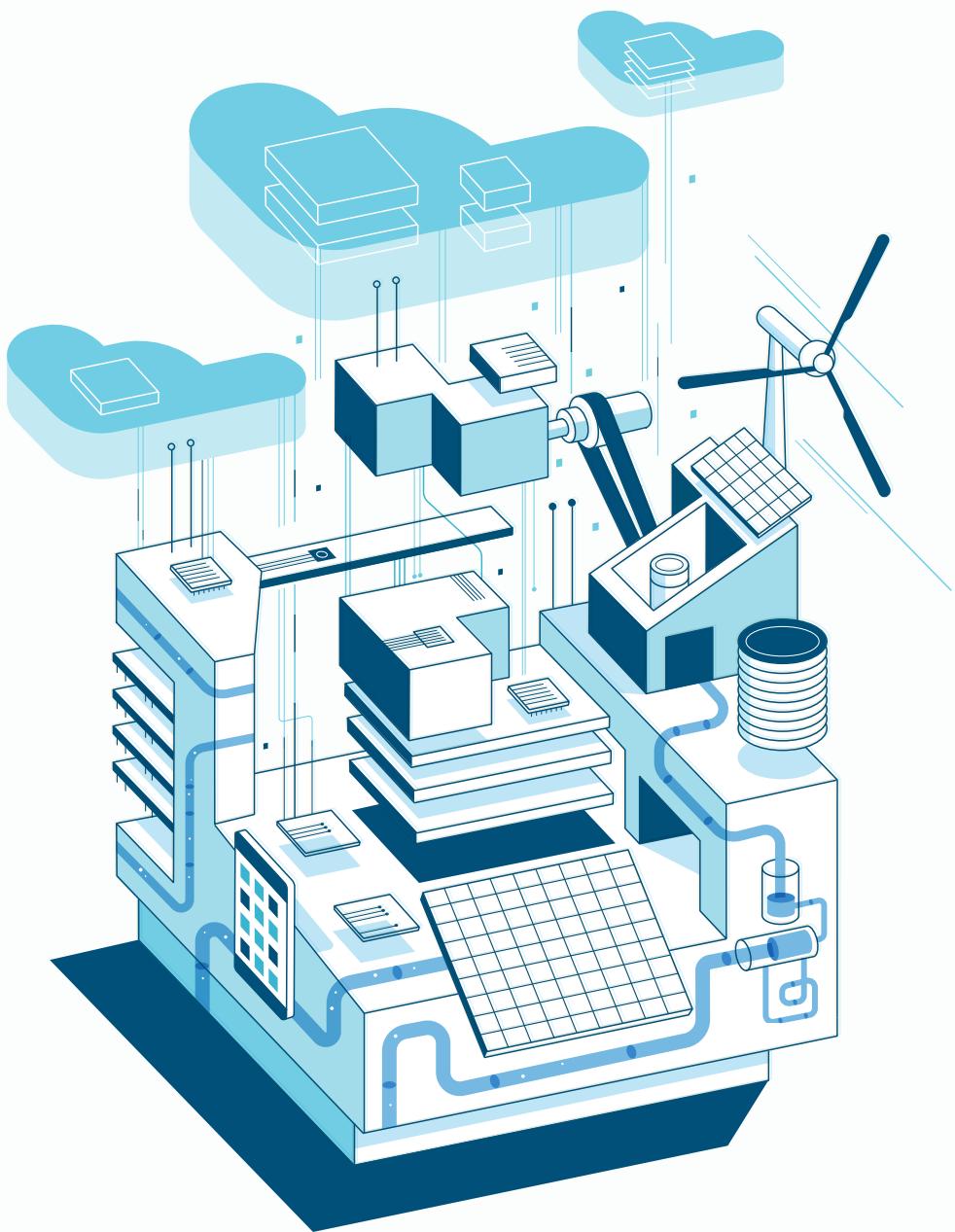
Sustainability Summit

In 2020, Sustainability Ambassadors organized the first Inside Sustainability Summit—a virtual educational event available to all Amazonians to learn more about Amazon's sustainability programs and partnerships. The event drew 12,500 registrations across 25 virtual sessions, from Amazonians in 39 countries. The summit also featured a crowdsourcing challenge for Amazon employees to present innovative ideas on sustainability. The winning submission identified strategic partnerships to reduce emissions in our supply chain and contribute to Amazon's goal of achieving net-zero carbon by 2040. With the support of senior management mentorship, this winning project is being rolled out across Europe in 2021, demonstrating how Sustainability Ambassadors contribute to Amazon's broader sustainability goals.



Sustainability in the Cloud

AWS is focused on efficiency and continuous innovation across our global infrastructure, as we continue on our path to powering our operations with 100% renewable energy by 2025.





Cloud Efficiency

AWS has always been focused on improving efficiency in every aspect of our infrastructure. From the highly available infrastructure that powers our servers, to techniques we use to cool our data centers, and the innovative server designs that deliver AWS services to our customers—energy efficiency is a primary goal of our global infrastructure. Through our scale and focus on innovation, we can achieve higher resource utilization and energy efficiency than is possible for the typical on-premises data center, and we are continuously working on ways to do more.

The results of a [study by 451 Research](#) show that AWS's infrastructure is 3.6 times more energy efficient than the median of U.S. enterprise data centers surveyed. More than two-thirds of this advantage is attributable to the combination of a more energy efficient server population and much higher server utilization. AWS data centers are also more energy-efficient than enterprise sites due to comprehensive efficiency programs that touch every facet of the facility.



Climate Neutral Data Centre Pact

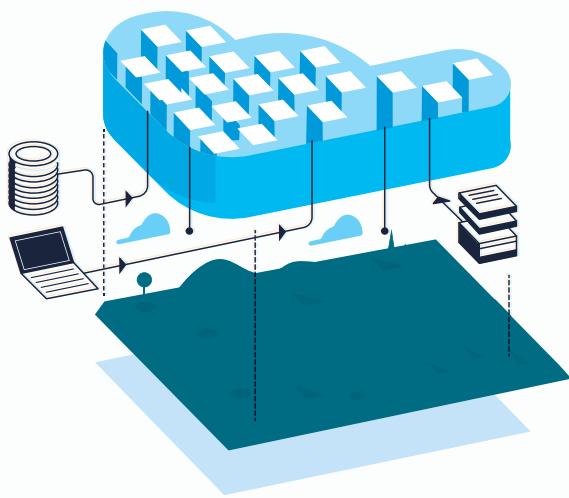
In 2021, AWS joined the data center industry in Europe to create the [Climate Neutral Data Centre Pact](#), an industry commitment to proactively lead the transition to a climate neutral economy. The Pact establishes a Self-Regulatory Initiative which was developed in co-operation with the European Commission. It supports both the European Green Deal, which aims to make Europe the world's first climate neutral continent by 2050, and the European Data Strategy by making EU data centers climate neutral by 2030. Signatories of the Pact commit to meeting ambitious goals to facilitate Europe's essential transition to a greener economy by agreeing to prove energy efficiency with measurable targets, purchase 100% renewable energy, prioritize water conservation, reuse and repair servers, and look for ways to recycle heat. AWS is proud to join the Pact. We know that by working together, we can raise the bar for data centers and help support the goals of the European Green Deal.

For example, we have improved power efficiency and availability by removing the central Uninterruptible Power Supply (UPS) from our data center design and integrating small battery packs and custom power supplies into our racks. These changes combined reduce energy conversion loss by about 35%.

AWS also continues to increase the efficiency of the custom hardware and software we design to deliver AWS services. Graviton2 is AWS's most power-efficient processor, providing better performance per watt than any other processor we currently use. With the world's increasing need for compute and other IT infrastructure, continually innovating at the chip level is critical to ensuring we can sustainably power the workloads of the future.

AWS also works closely with our customers to accelerate mutually shared sustainability goals. Customers such as





Acciona, BP, Engie, and Shell are leveraging AWS to drive digital innovation, including data migration and application modernization to cloud-native technologies, and to collaborate on artificial intelligence and machine learning use cases. These customers help accelerate Amazon's journey to meet our Climate Pledge goal by providing reliable, flexible solar and wind energy to power our operations with 100% renewable energy.



AWS Clean Energy Accelerator for Startups

Addressing climate change requires innovation across the world, across industries, and across startups and multi-national corporations. From distributed energy and storage solutions, to efficiency and optimization software—clean technology investment and innovation is surging. To help foster the rapid growth of clean tech innovations, AWS launched the [AWS Clean Energy Accelerator](#) in 2021. The program seeks to help clean energy startups accelerate their impact, access additional resources, and expand their reach.

The AWS Clean Energy Accelerator was developed in collaboration with Freshwater Advisors, a U.S.-based innovation consultancy and venture catalyst. Together with Freshwater Advisors, AWS selected 10 startups to participate in the five-week accelerator in 2021. The program offers technical, business, and go-to-market mentorship from AWS clean energy experts, as well as collaboration opportunities with AWS energy customers and members of Amazon Partner Network (APN) looking for clean energy solutions.

3.6x

AWS's infrastructure is 3.6 times more energy-efficient than the median of U.S. enterprise data centers surveyed

Water Stewardship



AWS has multiple initiatives underway to use water more efficiently and use less potable (drinking) water to cool our data centers. AWS develops our water-use strategy by evaluating climate patterns for each AWS Region, local water management and availability, and the opportunity to conserve drinking water sources. Taking a holistic approach, we assess both the water and energy usage of each potential cooling solution to select the most efficient method.

Evaporative Cooling

When possible, AWS incorporates direct evaporative technology to cool our data centers, reducing energy and water consumption. During cooler months, outside air is supplied directly to the data center without using any water. During the hottest months of the year, outside air is cooled through an evaporative process using water before being pushed into the server rooms, and we have optimized these cooling systems to minimize water usage. AWS is constantly innovating the design of our cooling systems to further reduce water use, and we adapt to changing weather conditions based on real-time sensor data.

Recycled Water

To help conserve local drinking water sources, AWS is expanding our use of non-potable water for cooling purposes. In Northern Virginia, AWS was the first data center operator to be approved to use recycled water with direct evaporative cooling technology. We partnered with Loudoun Water to demonstrate the benefits of recycled water for industrial cooling applications and shared our operational best practices for using recycled water in our



data centers. In the AWS U.S. West (Oregon) Region, we partnered with a local utility to use non-potable water for multiple data centers, and in Northern California, we are retrofitting AWS data centers to use recycled water.

AWS is working with local utilities to expand distribution infrastructure and drive faster implementation and adoption of recycled water for data center cooling applications, in order to reduce our usage of potable water.

How Using Renewable Energy Also Saves Water

Shifting to renewable energy has environmental benefits beyond lowering carbon emissions. According to the International Energy Agency, the energy sector is responsible for 10% of global water withdrawals, used for operating thermal power plants and producing fuels. Unlike thermal power plants, wind and solar plants do not require large amounts of water to operate. In 2020, Amazon's renewable energy generation helped to avoid the withdrawal of about 480 billion liters of water—enough to supply 1 million American households or fill up 190,000 Olympic-sized swimming pools each year.

On-Site Water Treatment

AWS is implementing on-site modular water treatment systems in multiple regions. As water is cycled through evaporative cooling units, minerals build up as water evaporates, eventually reaching a level of concentration that requires replacement with fresh water. On-site water treatment allows us to remove scale-forming minerals and reuse water for more cycles. Increasing our “cycles of concentration” allows us to continue to reduce the water intake needed to cool our data centers.

Water Efficiency Metrics

In each infrastructure region where we use water for cooling, AWS has developed water efficiency metrics to determine and monitor optimal water use for each AWS Region, and we employ a data-driven approach to select the most effective water reduction technologies. Water metrics from each AWS Region help us evaluate technologies and understand their long-term impacts on our water usage, in order to increase efficiency as our infrastructure grows and we expand to new regions.

We are partnering with utilities to connect directly to utility water meters, and we are also installing our own meters to track real-time water usage to provide consistent data for our operations and sustainability teams. By analyzing this data, AWS can identify opportunities to reduce water usage and rapidly make operational changes, rather than waiting for bills or usage reports.

Community Water Programs

Along with reducing our water usage, AWS looks for opportunities to return water to the community. In our U.S. West (Oregon) Region, for example, we partnered with the City of Umatilla and the West Extension Irrigation District to deliver water to farmers. Since our cooling water is not dirty, instead of sending it to a wastewater treatment plant, we deliver it to the local community to be repurposed for irrigation. In our U.S. West (Oregon) Region, we reuse 96% of cooling water generated from our data centers.

AWS is also working on community water programs all around the world. We are partnering with Water.org and WaterAid in India and Indonesia, where water filtration plants, rainwater harvesting systems, and groundwater recharge projects will bring a combined 250 million gallons of water per year to 165,000 people. We are also funding watershed restoration efforts with The Nature Conservancy in Cape Town and São Paulo that will increase water supply availability by 41 million gallons per year.

Water Conservation in Sweden

AWS is working with the Swedish municipality of Katrineholm and local water supply company Sörmland Vatten to support a vital upgrade of the town's storm water infrastructure, creating a new wetland just outside of Katrineholm in Stora Djulö. The new wetland and storm water [infrastructure improvement project](#) is supported by a \$4 million contribution from AWS as part of our long-term commitment to sustainability. The project is due for completion in 2026 and will help reduce flooding, improve water quality and biodiversity, and provide citizens with a new recreational space for outdoor activities, such as hiking, biking, and birdwatching. The water conservation project will also form part of a long-term solution for sustainable surface water management for the Katrineholm Logistics Center industrial park, north east of Katrineholm.





Amazon Sustainability Data Initiative

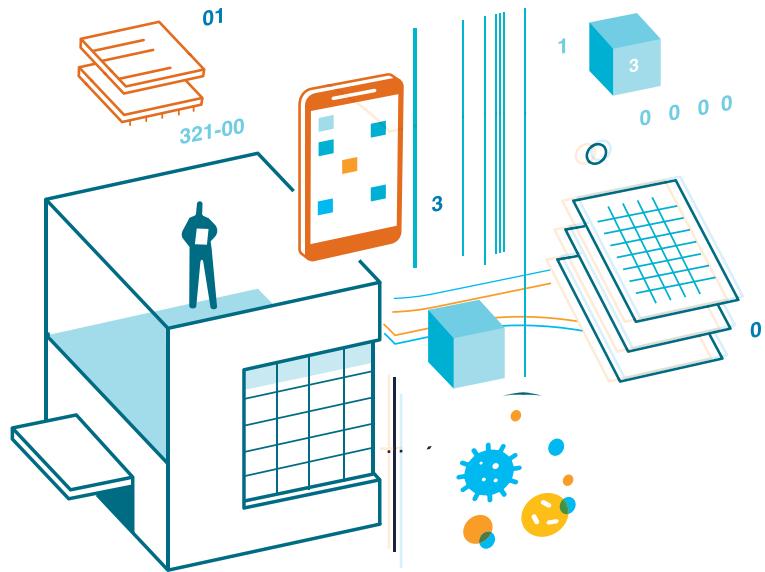
The Amazon Sustainability Data Initiative (ASDI) seeks to accelerate sustainability research and innovation by minimizing the cost and time required to acquire and analyze large sustainability datasets. ASDI works with scientific organizations to identify, host, and deploy key datasets on the AWS Cloud, including weather observations, weather forecasts, climate projection data, satellite imagery, hydrological data, air quality data, and ocean forecast data.

Our approach allows sustainability researchers to analyze massive amounts of data in mere minutes, regardless of where they are in the world or how much local storage space or computing capacity they can access. These datasets are publicly available to anyone. In addition, ASDI provides cloud grants to those interested in exploring the use of AWS' technology and scalable infrastructure to solve big, long-term sustainability challenges with this data.

Innovating for Sustainability in the Cloud

From university researchers to local governments, federal agencies to private startups, organizations leverage ASDI to better understand the long-term opportunities to address major challenges like climate change. Below are some examples of how AWS customers are innovating for sustainability.

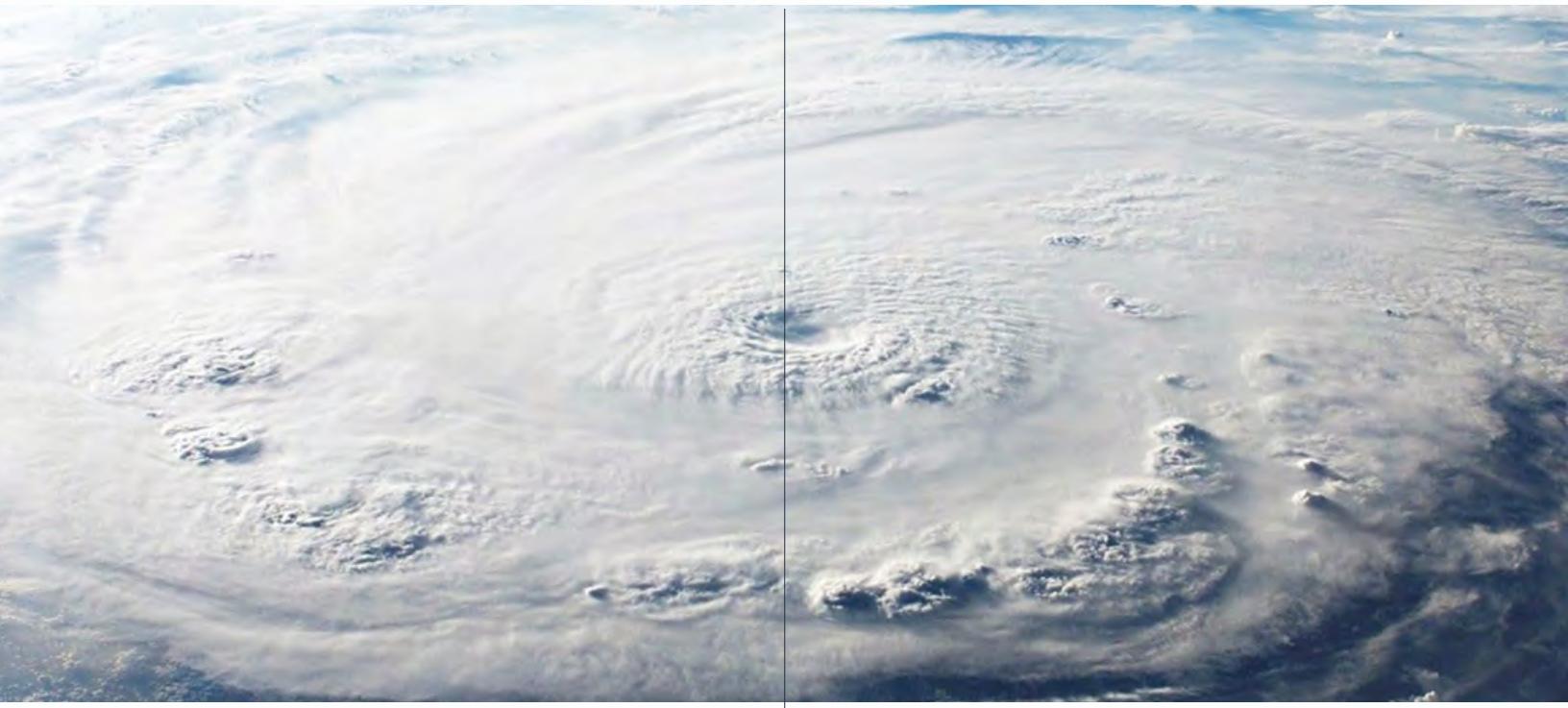
Digital Earth Africa (DE Africa) is helping data users across the African continent gain fast access to petabytes of decision-ready satellite data. The project enables African nations to track changes across the continent in unprecedented detail



by making Earth observation data more easily accessible. This will provide valuable insights for better decision-making around prevention and planning for flooding, droughts, soil and coastal erosion, agriculture, forest-cover, land use and land cover change, water availability and quality, and changes to human settlements.

AWS and the [Group on Earth Observations \(GEO\)](#) jointly awarded \$1.5 million worth of cloud services to 21 projects from 17 developing countries through the Earth Observation





Cloud Credits Programme. These grants encourage the use of Earth observations to support sustainable environmental development, including the United Nations Sustainable Development Goals, the Sendai Framework for Disaster Risk Reduction, and the Paris Agreement on Climate Change.

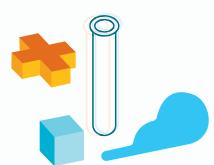
[OpenAQ](#) is empowering communities around the globe to clean their air by harmonizing, sharing, and using open air-quality data. Hosted on AWS, the OpenAQ platform is playing a key role in helping understand how air quality is being impacted by COVID-19.

After extreme weather events—such as hurricanes, tornadoes, and floods—[NOAA's Emergency Response Imagery](#), hosted on AWS, provides timely access to baseline and post-event remote sensing imagery over those affected areas. This capability is critical to guiding action and ensuring that lives and property are protected. Such imagery provides a cost-effective way to better understand the damage sustained to both property and the environment.

Building upon modern modeling techniques validated through peer-review science, the [First Street Foundation](#) is defining America's flood risk by calculating the past, present, and future flood risk of every home and property in the contiguous United States. The data is available free of charge to anyone.

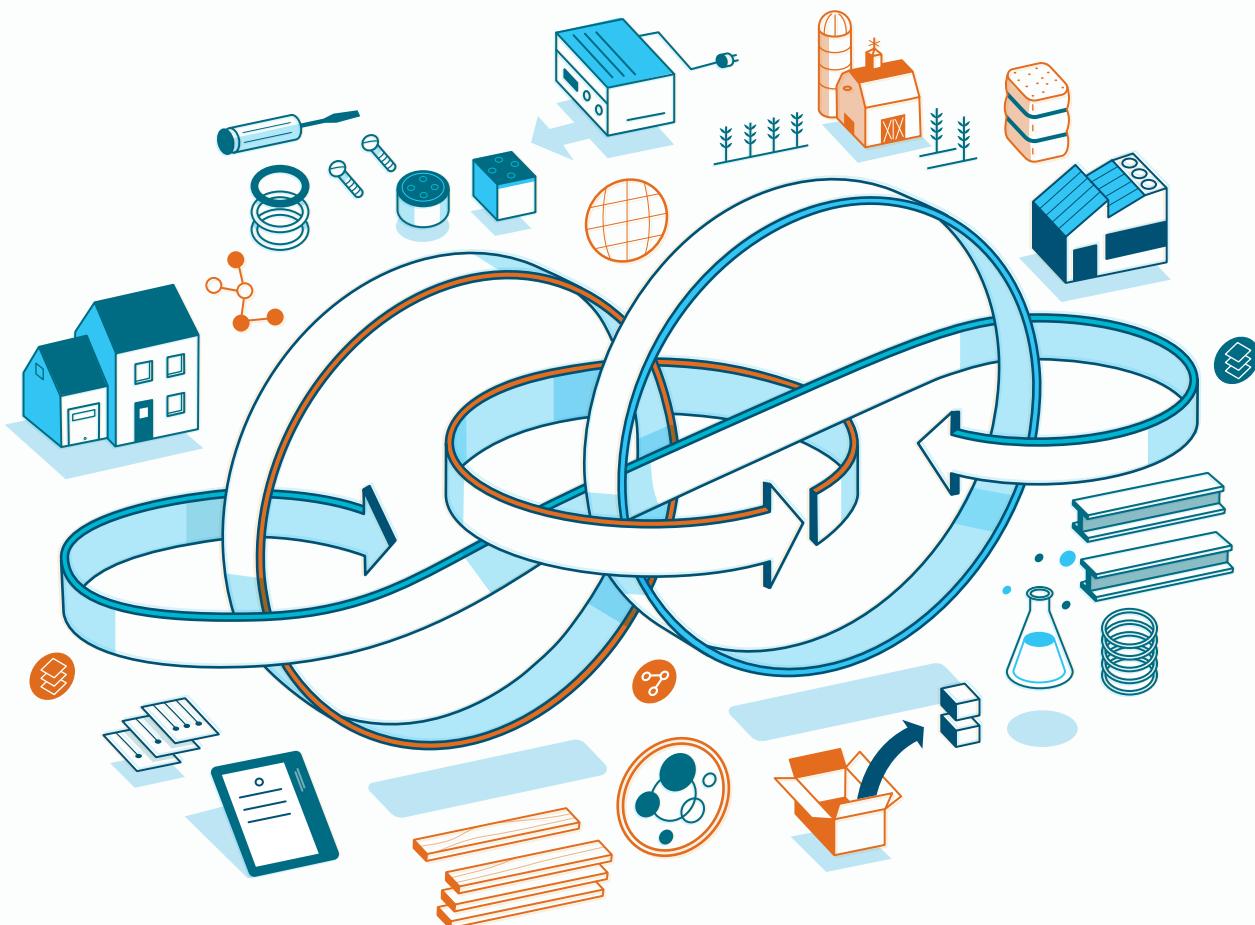
\$1.5M

AWS and the Group on Earth Observations (GEO) jointly awarded \$1.5 million worth of cloud services to 21 projects from 17 developing countries through the Earth Observation Cloud Credits Programme.



Circular Economy

Amazon is minimizing waste, increasing recycling, and providing options for our customers to reuse, repair, and recycle their products. We are working to send less material to the landfill and more back into the circular economy loop.





Packaging

Amazon customers want right-sized, recyclable packaging that minimizes waste and ensures damage-free delivery. We work to reinvent and simplify our sustainable packaging options using a science-based approach that combines lab testing, machine learning, materials science, and manufacturing partnerships to scale sustainable change across the packaging supply chain.

Driving Toward Zero Additional Packaging

At Amazon, designing packaging starts with the customer and works backwards. Unlike traditional retail stores, products bought online don't need the excess packaging and plastic materials used for displaying products on store shelves, such as twist-ties, bindings, and clamshell casings. In 2008, Amazon introduced [Frustration-Free Packaging](#) (FFP) to help manufacturers reduce packaging waste and develop sustainable alternatives for online fulfillment. Our FFP programs incentivize manufacturers to package their products in easy-to-open packaging that is 100% recyclable and ready to ship to customers without additional Amazon boxes.

To certify products under our FFP certification tiers, Amazon identifies specific steps that manufacturers can take to

36%

As of June 2021, we have reduced the weight of outbound packaging by over 36% and eliminated more than 1 million tons of packaging material since 2015—the equivalent of 2 billion shipping boxes.

improve their packaging and ensure products are protected all the way to the customer's doorstep. We partnered with the International Safe Transit Association to craft the standards behind our FFP programs and have developed a network of structural packaging designers, testing services, and materials suppliers to support manufacturers throughout the certification process. As of June 2021, more than 2 million products qualify under our FFP programs.

Amazon also collaborates directly with top brands and selling partners to transform their packaging for FFP certification. We teamed up with Procter & Gamble to invent the [Tide Eco-Box](#), a concentrated version of Tide's traditional laundry detergent compressed into a fully recyclable, shipping-safe package. The Eco-Box is produced using 60% less plastic and 30% less water than a conventional plastic jug, and requires no additional packing materials to ship. Thousands of other brands have made similar packaging improvements by participating in Amazon's FFP programs. Specific case studies are available on our [Packaging Website](#).

Improving Our Packaging Materials

As we continue to expand our FFP programs to reduce the need for additional packaging, we are improving the design and materials used for our packaging assortment. We are reducing the weight of packaging materials, while making our packaging more robust to avoid damage in the e-commerce supply chain. We've also added on-package messaging to inform customers about these improvements and provide guidance on how to recycle their packaging materials.

One example is our innovative [paper padded mailer](#), which offers the same recyclability as our corrugated boxes, while taking up less space in transit and in the recycling bin. The paper padded mailer is made of four layers of paper and a water-based cushioning material, which was designed to easily separate in the same way that print inks and other paper coatings are removed during the paper recycling





process. We are expanding our use of paper padded mailers across North America to replace the use of mixed paper and plastic mailers by the end of 2022.

We are also increasing our use of flexible paper-based mailers across Europe, allowing us to significantly reduce the use of plastic in packaging materials by the end of 2021. In India, Amazon eliminated single-use, thin film plastics in packaging in 2020 by replacing plastic materials like bubble wrap and air pillows with paper cushions and introducing plastic-free, biodegradable tape. To reduce the need for packaging at all, we have developed a model for [packaging-free shipping](#) across more than 100 Indian cities, delivering orders in their original packaging using protective containers that delivery drivers can reuse.

Meanwhile, we are improving the composition of our plastic packaging solutions to use less material and incorporate more recycled content. We are increasing the recycled content of our plastic film bags from 25% to 50% in 2021, and from 15% to over 40% for our plastic padded bags. Together, these improvements are expected to eliminate more than 25,000 metric tons of new plastic each year.

At our Whole Foods Market stores, we switched to smaller plastic produce bags and replaced all plastic rotisserie chicken containers with bags that use approximately 70% less plastic. Combined, these changes are estimated to save nearly 2 million pounds of plastic annually. We also eliminated all polystyrene meat trays across Whole Foods Market stores in the U.S. and Canada. In 2019, Whole Foods Market became the first national retailer to remove all plastic straws from its cafes and coffee bars—avoiding 21 million straws annually. At Amazon Fresh and Whole Foods Market in the U.S., we are rolling out a curbside recyclable solution to keep grocery

items frozen or chilled during delivery. This new packaging is produced with recycled paper and eliminates the need for plastic liners or bubble bag insulation.

Optimizing Through Machine Learning

How big of a box is needed for a given product? Is an Amazon box needed at all? To optimize packaging selections at Amazon's scale, we use machine learning algorithms to arrive at the best possible packaging choices for deliveries. That means identifying which products don't need additional packaging, and which smaller products are suitable for flexible packaging, such as padded mailers and bags, which are up to 75% lighter than similar-sized boxes. Flexible packaging conforms around products, reducing the need for additional packing materials, and takes up 40% less space than a box during shipping. In cases where the protection of a box is needed, machine learning helps us continuously optimize box choices to fit our ever-changing catalog of products and redesign boxes to use less material. When packaging weighs less and is the right size to protect customer orders, we can pack more orders into each delivery, resulting in fewer trips and less fuel burned.

We also use machine learning to identify products where even small packaging improvements can have significant impacts on reducing waste. For example, we developed a machine learning model to identify liquid products with the highest average rates of customer-reported damages. We subject those products to extensive testing at our Amazon Packaging Lab, where we simulate a package's journey from the manufacturer to the customer, providing data and insights we can share with manufacturers to improve their packaging design.

Packaging for Amazon Devices

In 2020, we committed to make Amazon device packaging 100% curbside recyclable by 2023. We are also working to source 100% of the wood fiber in our packaging from responsibly managed forests or recycled sources. We made significant progress toward these goals in 2020, eliminating more than 27 million plastic bags from our device packaging and sourcing more than 97% of the wood fiber packaging for all new Echo and Fire TV devices launched in 2020 from responsibly managed forests or recycled sources.





Recycling

Amazon is committed to reducing our environmental footprint through recycling initiatives in our own operations and partnerships that support the development of recycling infrastructure across the industry.

Recycling in Our Operations

Amazon is reducing the operational waste associated with customer fulfillment in facilities across the globe. Corrugated board is the most common material that flows through our operations, and we work with third-party recycling haulers to remove corrugated board from our facilities for off-site recycling. Many of these recycling haulers also supply Amazon with the packaging materials that we use for customer shipments, converting waste material recovered from Amazon operations into new, recycled packaging.

Not all of the materials we use can be easily recycled using current available systems. Plastic film, for example, is a difficult material to process, and most municipal recycling programs do not accept it. In order to innovate and solve for this gap, Amazon has developed a process for on-site plastic film recycling for our operations. In 2020, we began converting plastic film into poly bags made of 100% recycled material, which are used for [package-free returns](#) at Amazon drop-off locations in the U.S. After use, the bags are collected and returned to Amazon facilities where we again convert them into new poly bags, repeating the recycling process. As of June 2021, on-site plastic film recycling is available at more than 168 Amazon sites across North America and Europe.



We are also exploring alternative solutions for less common materials that cannot be recycled. In several European locations, we work with our shipping label suppliers to recycle the silicone backing paper from used shipping labels into new label components. In the UK, we partner with a local manufacturer to collect hundreds of rolls of label backing paper each year, converting the material into filling for animal bedding products. We are looking across our entire operations network to create new uses for waste materials in products, packaging, and operational processes.

Partnering to Improve Recycling Infrastructure

To improve curbside recycling in the U.S., we partner with The Recycling Partnership, which supports communities and local governments with education, infrastructure, and measurement related to curbside recycling. Along with other members of The Recycling Partnership, Amazon is [funding an initiative](#) to improve recycling activities in the western United States called The West Coast Contamination Initiative, which aims to increase the quality and value of recyclables collected in these areas by reducing the amount of non-recyclable material collected through local recycling systems.

We also invested \$10 million in the Closed Loop Infrastructure Fund to finance recycling and circular economy infrastructure in North America. Through this investment, Amazon aims to increase product and packaging recycling, ensuring that material gets back into the manufacturing supply chain. Over the next decade, our investment in the Closed Loop Infrastructure Fund will improve curbside recycling for 3 million homes in communities across the U.S., diverting 1 million tons of recyclable material from landfills and eliminating the equivalent of 2 million metric tons of carbon dioxide. recyclable material from landfill and eliminating the equivalent of 2 million metric tons of carbon dioxide.





Product Donations

When we have surplus inventory in our fulfillment network, Amazon donates the eligible items to charity organizations, giving products a new life, reducing waste, and helping to build stronger communities.

Surplus inventory includes usable items that are overstocked, returned, cosmetically damaged, or near expiration. Through software built by our teams, our logistics network automatically identifies inventory that can be donated, instead of sending these items to be recycled or to landfills. We identify partner organizations in our communities, including nonprofits and charities, and enable them to collect surplus inventory from Amazon facilities and distribute these products to people in need.

70M

Together with Whole Foods Market, Amazon donated 70 million meals and 30 million ounces of hand sanitizer to Feeding America

Amazon contributed more than 25 million products to our global charity partners in 2020. Together with Whole Foods Market, we donated an additional 70 million meals and 30 million ounces of hand sanitizer to Feeding America, a U.S. network of food banks, pantries, soup kitchens, shelters, and other community-based agencies.

Nourishing Our Neighborhoods

In 2020, Whole Foods Market launched a food redistribution program called Nourishing Our Neighborhoods that provided 21 refrigerated vans to community-based food rescue organizations. Each of these vans provides recipient organizations with 20,000 pounds of rescued food from Whole Foods Market and surrounding grocers and retailers every week. This effort will provide more than 180 million meals over the next 10 years to families in need across the U.S. and Canada.

Amazon product donations are crucial in our ability to serve and support vulnerable communities in the U.S. These donations have been even more important in the face of the economic crisis brought on by COVID-19.

– Matt Connelly, CEO of Good360



We distribute the majority of our surplus inventory in the U.S. through Good360, which partners with a network of local nonprofits to reach people in need. Amazon is one of the [biggest suppliers of donations to Good360](#), helping to provide items to low-income households, foster families, individuals with special needs or disabilities, seniors, veterans, immigrants, and more.

In Europe, we partner with more than 100 charities and local organizations to distribute product donations. Amazon is a long-term partner of In-Kind Direct International, a charity working across the UK, France, and Germany to broker product giving among the members of its network. Through this partnership, we donated more than 200,000 products, including toys, shoes, clothing, and household items, to 1,800 charities in 2020.

Many of our product donations are collected through Fulfillment by Amazon (FBA) Donations, a service we launched in 2019 to automate the process for selling

partners using FBA to donate their overstocked or returned items. The service requires no additional action from selling partners, allowing Amazon to easily scale product donations through our existing logistics. FBA Donations is currently available in the U.S., the UK, France, and Japan, and we are working to expand the program to more locations in 2021.

Reducing Food Loss and Waste

At Amazon, we are committed to reducing food loss and waste within our U.S. operations by 50% by 2030. We joined the Food Loss and Waste 2030 Champions group, an effort jointly administered by the U.S. Environmental Protection Agency and the Department of Agriculture. As part of our commitment, we will be developing food waste reporting, generating source reduction metrics, sharing food waste reduction programs and progress on our website, building new food disposition paths, and expanding existing donation programs.



Amazon Second Chance

Amazon Second Chance is a central hub that helps customers eliminate waste and give products and packaging a second life. It is available across the globe with offerings in the U.S., Canada, the UK, France, Germany, Italy, and Spain, and we recently expanded into Sweden and Japan as well.

Trade In, Repair, or Recycle

Amazon makes it easy for customers to retire their products without sending them into the waste stream. Through [Amazon Trade-In](#), customers in the U.S., the UK, and Germany can trade in thousands of eligible items, including Amazon devices, cell phones, video games and consoles, and more in exchange for an Amazon.com Gift Card. Even non-functional Amazon devices are eligible for trade-in and will be recycled. Some trade-ins may be eligible for a promotional credit off of a new qualifying Amazon device.

Amazon also encourages customers to fix items before replacing or disposing of them. We offer free [Product Support](#) in seven global geographies, providing customers with technical assistance, replacement parts, and repair services for select items, helping them maximize the life of the things they already own.

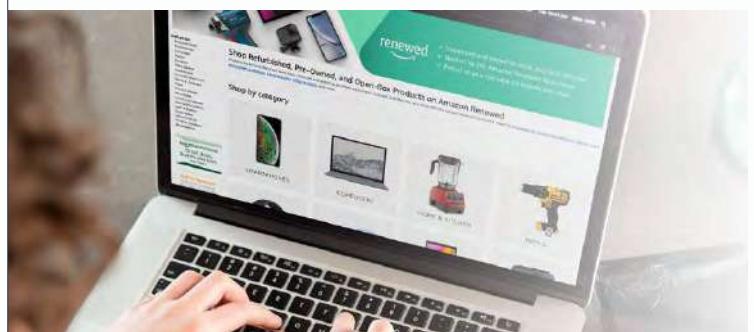
For electronic equipment that cannot be repaired or traded in, customers can recycle their items free of charge through programs like [Amazon Device Recycling](#) in the U.S. and Recycle with Amazon in Europe. These programs route electronic equipment to recycling partners who dismantle the items and ensure that they are recycled and re-purposed into new products. We also partner with companies to make it easier for customers to recycle old electronics and clothing through door-to-door pick-up services like [Retrievr](#).

Shop Like-New and Refurbished Products

Amazon gives customers several options to purchase pre-owned and refurbished items. By shopping refurbished products, customers can extend the life of products and reduce waste. [Amazon Renewed](#) offers like-new refurbished products, such as electronics, home appliances, and more. All products are professionally inspected and tested to work and look like new, and are backed by the Amazon Renewed Guarantee. [Amazon Warehouse](#) offers refurbished and returned products, which undergo a rigorous 20-point inspection process before being sold at a discount. [Pre-Owned Amazon Devices](#) provides customers with access to fully functional pre-owned products that have been screened and tested by Amazon. All of these programs reduce waste and encourage reuse by ensuring that valuable products can go back into the hands of customers rather than being sent to landfills.

Disposing of Amazon Packaging

Amazon Second Chance helps customers responsibly dispose of the packaging used to deliver Amazon orders, including Amazon device packaging and Amazon Grocery deliveries. Customers can view recycling instructions by package type on the Amazon Second Chance site, or look for instructions in their ship confirmation emails on how to properly dispose of packaging included in each shipment.



Product Sustainability

As part of our mission to be Earth's most customer-centric company, we are working to give our customers access to more sustainable products, from thousands of Amazon-branded products we develop and manufacture, to millions of retail and third-party items sold in Amazon's store.



Sustainable Shopping



Amazon's sustainable shopping initiatives give our customers the chance to buy more sustainable products. We are committed to helping customers find products that exceed the social and environmental benefits of comparable options when they shop in our stores.

Helping Customers Discover More Sustainable Products

In 2020, Amazon launched [Climate Pledge Friendly](#), a new program that uses sustainability certifications to highlight products that support our commitment to help preserve the natural world. Customers in the U.S., the UK, France, Germany, Italy, and Spain will see the Climate Pledge Friendly label when shopping in Amazon's online store, signifying that one or more sustainability certifications support these products. Climate Pledge Friendly products are clearly labeled in shopping results and have additional sustainability information on their product pages. As of June 2021, customers can shop for more than 75,000 Climate Pledge Friendly products in categories ranging from health and household items, to office products and electronics.

75K

Climate Pledge Friendly products as of June 2021

Climate Pledge Friendly Certifications

Amazon partners with a wide range of [external certifications](#), including governmental agencies, nonprofits, and independent laboratories to help us distinguish more sustainable products. We focus on certifications that are reputable, transparent, and help preserve the natural world.

Amazon also developed [Compact by Design](#), our own certification to identify products that have a more efficient design. With the removal of excess air and water, products require less packaging and become more efficient to ship. At scale, these small differences in product size and weight lead to significant carbon emission reductions. To qualify for Compact by Design, products must have best-in-class "unit efficiency," a metric that allows us to calculate the volume and weight utilization for the number of units a product delivers.

Inviting Brands to Participate

To expand our sustainable shopping selection, we are inviting brands to participate in Climate Pledge Friendly by securing certifications for products sold in Amazon's store that improve at least one aspect of sustainability. For example, Seventh Generation's Easy Dose laundry detergent offers a Compact by Design certified super-concentrated detergent that uses 60% less plastic and 50% less water than the standard 100-ounce laundry bottle, enabling significant energy and material savings. If every household in the U.S. were to buy one bottle of Seventh Generation's Easy Dose detergent instead of its conventional 100-ounce bottle, this would save 220,000 tons of carbon dioxide equivalent every year, equivalent to not driving 540 million miles.



We love that Amazon is making it simple for customers to find sustainable products. Amazon's new program will expand our reach and enable us to empower more brands to design safer and more sustainable products for the circular economy.

— William McDonough, Co-Founder of the Cradle to Cradle Products Innovation Institute

Including Amazon Brands

As part of our commitment to develop more sustainable products, we are certifying many of our Amazon-branded products to qualify for Climate Pledge Friendly. In the category of household goods, Presto! by Amazon offers a refillable cleaning starter kit certified as Compact by Design. One canister of dissolvable refills is 98% smaller and 99% lighter than traditional cleaners—saving plastic, space, and money while delivering a powerful clean. Echo, Fire TV, and Fire Tablet devices are the first Amazon devices to qualify for Climate Pledge Friendly, which are certified by the Carbon Trust and carry its Reducing CO₂ label—a certification that demonstrates a reduction in the carbon footprint of products year over year.



More Ways for Customers to Shop Their Values

Amazon Second Chance enables customers to eliminate waste and give products and packaging a second life.

Amazon Handmade is a destination to find unique, genuinely handcrafted products created by local artisans and artisans around the world.

Amazon Saheli in India enables women to become successful selling partners in Amazon's store, offering a wide selection of unique regional products by women entrepreneurs.

Black-Owned Businesses features products and supplies sold by Black-owned businesses. The Black-owned business store is the next step in Amazon Business' commitment to advance economic empowerment for Black business owners.

Women-Owned Businesses features products and stories from women small business owners who challenge, champion, and create change in their lives and communities.

AmazonSmile is a simple way for customers to support their favorite charitable organizations every time they shop, at no additional cost. As of June 2021, AmazonSmile has donated more than \$293 million to charities.

AmazonSmile Charity Lists allows customers to donate items directly to charitable organizations. With Charity Lists, all charity accounts are verified and all lists are created and maintained by charity administrators.

Sustainable Products



Amazon works with the suppliers of our branded products to drive sustainability improvements across the stages of material sourcing, design, manufacturing, and customer use. Our global teams also work closely with our suppliers to communicate our human rights standards and help suppliers build their capacity to provide safe and respectful working environments.

Setting a High Bar for Amazon-Branded Products

Customers want to be sure that the products they buy align with their values and needs. We are committed to embedding sustainability into Amazon-branded products as a fundamental standard across our supply chain. While there is no industry-wide definition of a sustainable product, one of the ways Amazon sets a high bar for our branded products is through certifications. We partner with reputable external certifiers and use our own internal [Compact by Design](#) certification to certify products that qualify as [Climate Pledge Friendly](#). We also engage with leading organizations and industry collaboratives to drive sustainability improvements, and incorporate new insights into our approach as we continue to learn.

Our Product Categories

Household Goods

When it comes to household goods like cleaning supplies and personal care products, Amazon customers want options that are safe for their families and for the planet, without compromising on quality or price. As part of our Chemicals Policy, our [Restricted Substance List](#) provides an extensive list of chemicals we seek to avoid in Amazon-

owned Private Brands baby, household cleaning, personal care, and beauty products, and applies to all suppliers of these product categories in the U.S. and Europe.

Food and Grocery

Amazon offers a range of sustainable food and grocery options and uses many sustainably sourced, third-party certified ingredients across our Amazon-branded selection. This includes our commitments to sustainable palm oil and animal welfare in Amazon Private Brands food products. We also avoid chemicals of concern and prohibit non-recyclable materials in Amazon Kitchen food contact packaging, as outlined in our [Food Contact Materials Restricted Substance List](#).

Whole Foods Market Quality Standards

Every food product sold at our Whole Foods Market stores must meet rigorous [Quality Standards](#). These standards prohibit more than 100 preservatives, flavors, colors, sweeteners, and other ingredients commonly found in food. All meat in our meat department is traceable back to the farm or ranch, and is sourced from animals raised without antibiotics or added growth hormones. The fresh beef, pork, chicken, turkey, and lamb in our meat department is certified to meet more than 100 animal welfare standards by the Global Animal Partnership, a nonprofit alliance of producers, retailers, animal advocates, and scientists. All wild-caught seafood in our seafood department is sourced from fisheries that are certified sustainable by the Marine Stewardship Council Standard, or rated either "Green" or "Yellow" by the Monterey Bay Aquarium Seafood Watch. Fresh or frozen, all of our farm-raised seafood is responsibly farmed and traceable to the source, and requires third-party verification of water quality and dozens of other quality standards.



Fashion and Apparel



We are committed to making it easier for our customers to choose high-quality, sustainable apparel products. We are working to lower the environmental impact of our Amazon-owned Private Brands apparel products, and we partner directly with our suppliers to find solutions that promote the use of sustainably produced fabrics and recycled materials, including cotton, leather, and manmade cellulosic fibers. We collaborate with leading apparel organizations to incorporate industry best practices and support collective action.

Amazon Devices

We are making Amazon devices more sustainable, from how we build them to how our customers use them. We incorporate recycled materials into many new Amazon devices, giving new life to materials that could otherwise end up in waste streams. We have also developed features like Low Power Mode to reduce the energy devices consume during periods of inactivity over their lifetime. In 2020, we added Low Power Mode to the latest models of Echo and Fire TV devices and are rolling out free over-the-air updates to bring Low Power Mode to older models of devices already in customers' homes.



Alexa Energy Dashboard

We are making it easier for customers to manage their home energy use with the [Alexa energy dashboard](#), available in the U.S. The dashboard works with compatible smart lights, plugs, switches, water heaters, thermostats, televisions, and Echo devices, allowing customers to easily track the energy these devices use. Customers can also enable Alexa to help them conserve energy through a new Hunches feature. For example, if Alexa has a Hunch that a customer is away and forgot to turn off a light, Alexa can automatically turn it off, helping customers save energy and reduce carbon emissions.

Our Material Commitments

Palm Oil

As of 2021, we use sustainably certified palm oil in all Amazon Private Brands food products in North America and Europe. In a small number of cases, palm oil credits may be used to cover very small volumes and complex derivatives. We revisit these cases annually with applicable suppliers and agree on plans to transition to physically certified sustainable palm oil where possible.

Cotton

We are working to ensure that all Amazon-owned Private Brands apparel products are made using cotton from more sustainable sources by the end of 2022. This includes using cotton sourced from recycled materials, from farms certified as producing organic cotton, or through the [Better Cotton Initiative](#) (BCI), a global nonprofit that aims to transform the cotton supply chain by developing Better Cotton as a sustainable mainstream commodity.

After joining BCI in 2019, we sourced 48% of the cotton used for our Amazon-owned Private Brands apparel products as Better Cotton in 2020. While Better Cotton is not physically traceable to end products, BCI farmers benefit from the demand for Better Cotton in equivalent volumes to those we source. Amazon is also a member of BCI's Retailer and Brand Advisory Panel on Traceability.

In 2019, Amazon signed the Responsible Sourcing Network's public Cotton Pledges, committing to not source cotton from Turkmenistan and Uzbekistan for Amazon-owned Private Brands products until the pervasive use of government-mandated forced labor is stopped. In 2021, we began participating in a Responsible Sourcing Network initiative called YES: Yarn Ethically & Sustainably Sourced, which works to address forced labor in the cotton value chain.

Cellulosic Fibers

By 2022, we will ensure that none of the manmade cellulosic fibers (including rayon, viscose, lyocell, and modal) sourced for Amazon-owned Private Brands apparel products are derived from ancient or endangered forests,



endangered species' habitats, or other controversial sources, as defined by the nonprofit organization Canopy's tools and reports. Our approach to cellulosics includes using fabrics that provide assurance on traceability and use best-available processing technology, as well as supporting the use of innovative lower-impact alternative fiber sources, such as recycled fiber from used clothing.

Recycled Fabrics

We will increase the use of recycled fabrics in Amazon-owned Private Brands apparel products, including moving from conventional to recycled polyester, and launching products made from innovative recycled fibers. In 2020, we joined the Textile Exchange, a global nonprofit that works with its members to drive industry transformation in preferred fibers, including recycled materials.

Leather

In 2020, we joined the Leather Working Group, a nonprofit membership organization that works to improve environmental stewardship within the global leather industry. By the end of 2023, we will source all leather used in Amazon-owned Private Brands apparel and shoe products from tanneries that meet the Leather Working Group's bronze level award or higher.

Product Labels

As of 2020, all new woven labels in Amazon-owned Private Brands apparel products are made from recycled fabric and all new swing tags are made from paper certified by the Forest Stewardship Council.

Recycled Materials

In 2020, we launched Echo and Fire TV devices that include 100% post-consumer recycled fabric, 100% recycled die-cast aluminum, and 30-50% post-consumer recycled plastic, depending on the product. We also incorporated 50% post-consumer recycled plastic into certain power adapters that ship with our devices.



Our Commitments Beyond Materials

Human Rights

Amazon is committed to ensuring the people and communities that support our entire value chain are treated with fundamental dignity and respect, and we strive to ensure the products and services we provide are produced in a way that respects internationally recognized human rights.

Read more about our commitment to human rights on page 58.

Animal Welfare

As retailers of animal-derived products, we recognize our responsibility to uphold animal welfare within our supply chain. We expect our suppliers to uphold the Five Freedoms framework for animal welfare, which mandates freedom from hunger and thirst; freedom from discomfort; freedom from pain, injury, or disease; freedom to express normal behavior; and freedom from fear and distress. We expect our suppliers to comply with all applicable laws and to take a zero-tolerance approach to animal cruelty, abuse, and neglect. We encourage suppliers to continuously improve their animal welfare standards and practices, and to work toward recognized animal welfare certifications or industry guidelines that include welfare provisions.

Chemicals and Restricted Substances

Part of our commitment to quality is avoiding chemicals of concern in our products that can affect human health and/or the environment. We define chemicals of concern as those chemicals that: (1) meet the criteria for classification as a carcinogen, mutagen, or reproductive or other systemic toxicant; or (2) are persistent, bioaccumulative, and toxic. We use leading science and customer feedback to prioritize which chemicals of concern to focus on based on product type, customer concerns, and the availability of safer alternatives. Learn more about the chemicals we seek to avoid in our [Restricted Substance List](#) and our [Food Contact Materials Restricted Substance List](#).





People



Human Rights

Amazon is committed to ensuring the people and communities that support our entire value chain are treated with fundamental dignity and respect, and we strive to ensure the products and services we provide are produced in a way that respects internationally recognized human rights.



Our Approach to Human Rights

Our commitment and approach are informed by leading international standards and frameworks developed by the United Nations (UN) and the International Labour Organization (ILO). Amazon is committed to respecting and supporting the UN Guiding Principles on Business and Human Rights, the UN Universal Declaration of Human Rights, the Core Conventions of the ILO, and the ILO Declaration on Fundamental Principles and Rights at Work.

Our strategy to deliver on these commitments to human rights has four pillars: developing strong policies, embedding human rights into our business, addressing risk through mechanisms, and transparency and stakeholder engagement.

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 a commitment to continuously raising the bar, in 2019, we codified our long-standing commitment to human rights in the form of Amazon's Global Human Rights Principles, which reflect the foundation of how we embed respect for human rights throughout our business.



We are committed to consistently evolving and improving our approach. We regularly review our policies to identify areas for update and improvement. We conduct in-depth benchmarking against international standards and evolving industry norms at least every three years in line with industry best practices.

Human Rights Principles

From the employees in our fulfillment centers, to the drivers delivering packages to our customers, to the workers in factories making the products we sell—people enable our mission to be Earth's most customer-centric company. These values have been long-held at Amazon and codifying them into a set of Human Rights Principles demonstrates our support for fundamental human rights and the dignity of workers everywhere we operate around the world.

► [READ OUR HUMAN RIGHTS PRINCIPLES ON OUR WEBSITE](#)

Supply Chain Standards

We set a high bar for ourselves and our suppliers. Our Supply Chain Standards detail the requirements and expectations for our suppliers, their supply chains, and selling partners who list products in our stores, and they are grounded in principles of inclusivity, continuous improvement, and supply chain accountability. We engage with suppliers that are committed to these same principles; suppliers are subject to these standards as a condition of doing business with us.

► [DOWNLOAD AND READ OUR SUPPLY CHAIN STANDARDS](#)

Embedding Human Rights Into Our Business

We are committed to embedding human rights considerations into decision-making across the company and into our policy and governance framework. This governance starts with Amazon's Board of Directors, which appoints committees for oversight on specific issues. Among other duties, the Nominating and Corporate Governance Committee oversees Amazon's global environmental sustainability, corporate social responsibility, and corporate governance policies, practices, and initiatives. The Leadership Development and Compensation Committee oversees Amazon's global human capital management strategies and policies.

As a global company, we recognize the responsibility and opportunity we have to raise awareness among our employees on human rights issues. In 2020, we enhanced our training on human trafficking and forced labor for employees in our logistics network.

Human Trafficking Awareness

Amazon does not tolerate the use of child labor, forced labor, or human trafficking in any form in our operations or value chain. We have detailed the components of this commitment to combating human trafficking (also referred to as modern slavery) in our annual Modern Slavery Statement, our Supply Chain Standards, and our Global Human Rights Principles.

We're raising awareness through employee training and partnerships. Our human trafficking awareness program provides ongoing training to employees around the world to recognize indicators of human trafficking and report concerns to appropriate authorities in a way that puts the interests of victims first. To develop the training, we incorporated videos and materials from the Gangmasters and Labour Abuse Authority (GLAA), a UK public agency focused on investigating labor exploitation. 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.

We are also an official corporate sponsor of Truckers Against Trafficking (TAT), an organization dedicated to combating human trafficking in the trucking industry, and began using TAT training modules to train our internal fleet of drivers, teaching them how to identify and respond to potential victims of human trafficking. As of January 2021, we trained 100% of Amazon employees who are behind the wheels of trucks in our middle-mile business.

Mechanisms to Address Risk

We are committed to identifying, preventing, and mitigating adverse human rights impacts, and are continuously working to improve our approach. At Amazon, every business deploys a variety of mechanisms to help us inspect our business and make decisions at various points of product and process development and in the execution of our day-to-day operations. Social Responsibility teams review the performance and impact of our own programs and inspect activity in our global supply chains.

In our supply chain, we assess and respond to risk by leveraging internal and external data and guidance from external stakeholders, including industry experts, civil society groups, and non-governmental organizations. One way we do this is through independent audits to verify compliance with our Supply Chain Standards though regular on-site inspections and confidential worker interviews.

Learn more about our Responsible Sourcing Program on page 84.

We recognize that audits alone are insufficient to drive long-term change across industries. We, like many companies in similar industries, are exploring new ways to encourage improvement in worker protections, including supplier capacity building programs, worker trainings, and collaborations with other brands and civil society. We currently invest in capacity building programs across five key commitment areas: Safe Workplaces, Freely Chosen Employment, Gender Equity, Fair Wages, and Environmental Protection.

Learn more about our investments on page 91.

Within our own operations, we have teams dedicated to assessing and addressing risk to our employees. Those teams focus on establishing open communication with our employees around the world and providing them with meaningful grievance mechanisms and avenues for dialogue with leadership.

Learn more about our approach to employee engagement on page 80.



We are dedicated to building a diverse and inclusive workplace, where every employee feels comfortable sharing their unique perspectives and is supported in growing their career.

Learn more about our efforts on diversity, equity, and inclusion on page 71.

And, we are obsessed with keeping our employees safe while on the job. We work relentlessly to innovate and create new industry benchmarks for health and safety.

Learn more about our investments in workplace safety on page 69.

We know we have more to do, and we are committed to widening our lens to better understand the potential human rights impacts of our business.

Amazon's Salient Human Rights Issues

The guidance provided by the UN Guiding Principles on Business and Human Rights recommends that companies identify their most salient human rights risks as the first step in a comprehensive human rights due diligence strategy. Since 2020, we have worked with sustainability and human rights consulting firm Article One Advisors to identify salient human rights risks across our business. In conducting this assessment, we consulted a diverse group of external human rights experts and incorporated their feedback into the results. We benchmarked the results against internationally recognized human rights standards. This assessment identified a set of priority human rights values and key salient human rights risks for Amazon.

Our existing policies and programs currently address many of these risks, however, we will use the assessment results to build on current practice and prioritize our human rights due diligence efforts. One important due diligence tool is a human rights impact assessment (HRIA). HRAs are an effective mechanism to identify and address adverse impacts business activities might have on individuals such as workers, local community members, or consumers. The process involves meaningful engagement with external stakeholders to gain a full understanding of potential impacts.

Human Rights Values

Respect Human Rights in our Supply Chain

Empower Employees and Contractors

Earn and Keep the Trust of Our Customers

Strengthen the Communities We Serve

Salient Risks

Diversity, Equity, and Inclusion

Safe and Healthy Working Conditions

Modern Slavery and Forced Labor

Fair Wages and Hours

Freedom of Association

Future of Work

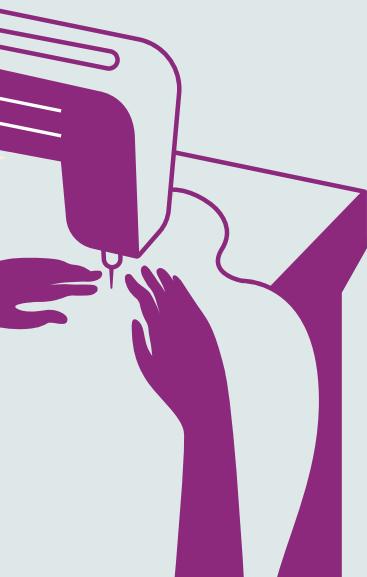
Right to Privacy

Product Safety and Security

Social, Economic, and Environmental Justice

Three Foundational Commitments

Meaningful Consultation with Stakeholders
Opportunity for Concerns to be Heard and Issues Resolved
Focus on Vulnerable Groups



Human Rights Impact Assessment: Amazon Devices

In 2020, we conducted our first HRIA to assess the raw and recovered materials supply chain for Amazon-branded digital devices (Kindle, Fire TV, Fire Tablet, Ring, and Echo), including the manufacture, assembly, and return of those products. The raw and recovered materials supply chain is a complex system of sellers, buyers, traders, producers, processors, and manufacturers across multiple tiers and sourcing regions around the world. This supply chain is, in many places, highly opaque, adding to the challenge of identifying and prioritizing salient human rights risks and impacts. For this assessment, we focused on four supply chain categories: Tier 1 and Tier 2 manufacturing, reverse logistics, minerals and metals, and plastics and synthetics.

We engaged an independent third-party expert, Article One, to research key human rights risks across these categories, conduct a gap analysis of Amazon's current approach to managing human rights risks, and identify opportunities to have a positive impact. The process included internal interviews, reviews of media and third-party reporting, and external stakeholder engagement. We selected external stakeholders based on their representation of impacted groups, geographic scope, and expertise in human rights. They included experts on a wide array of issues, including human rights and sustainable development in technology,

finance, waste, plastics, responsible minerals, circular economy, and science-based solutions.

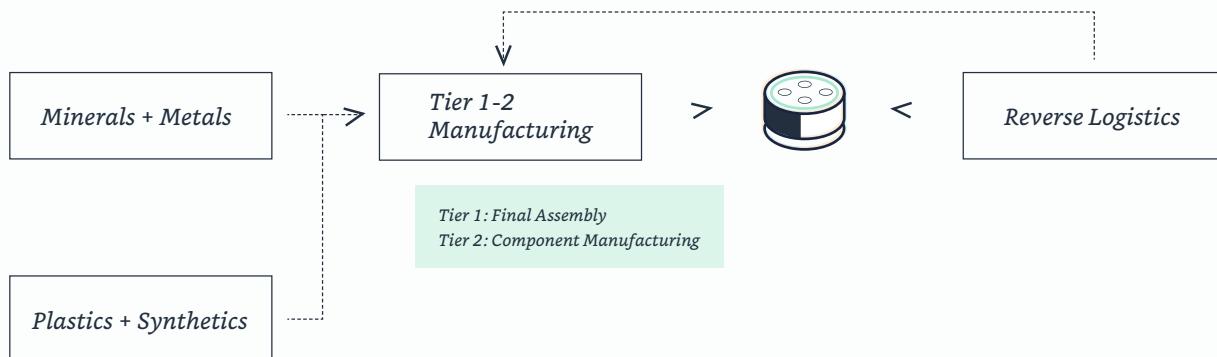
Key Learnings and Opportunities

Using the [UN Guiding Principles on Business and Human Rights](#) as a framework to guide the assessment, the HRIA conducted this past year resulted in the following findings and areas of opportunity for the supply chains of Amazon-branded digital devices, which was the focus of this HRIA. These findings and areas of opportunity could also be applied across Amazon:

Tier 1 and 2 Manufacturing: These are the facilities and suppliers involved in the final assembly of Amazon devices (Tier 1) and component manufacturing (Tier 2). The assessment found that Amazon suppliers in this category had moderate to high levels of awareness of Amazon's social compliance requirements. However, challenges remain throughout the electronics industry as a whole, including: difficulties enforcing working hour and rest requirements; low or unequal wages, even when compliant with national minimum wages standards; and absence of effective grievance mechanisms for workers.

Raw and Recovered Materials Supply Chain

This map is a simplified visual of supply chain categories assessed for this report.



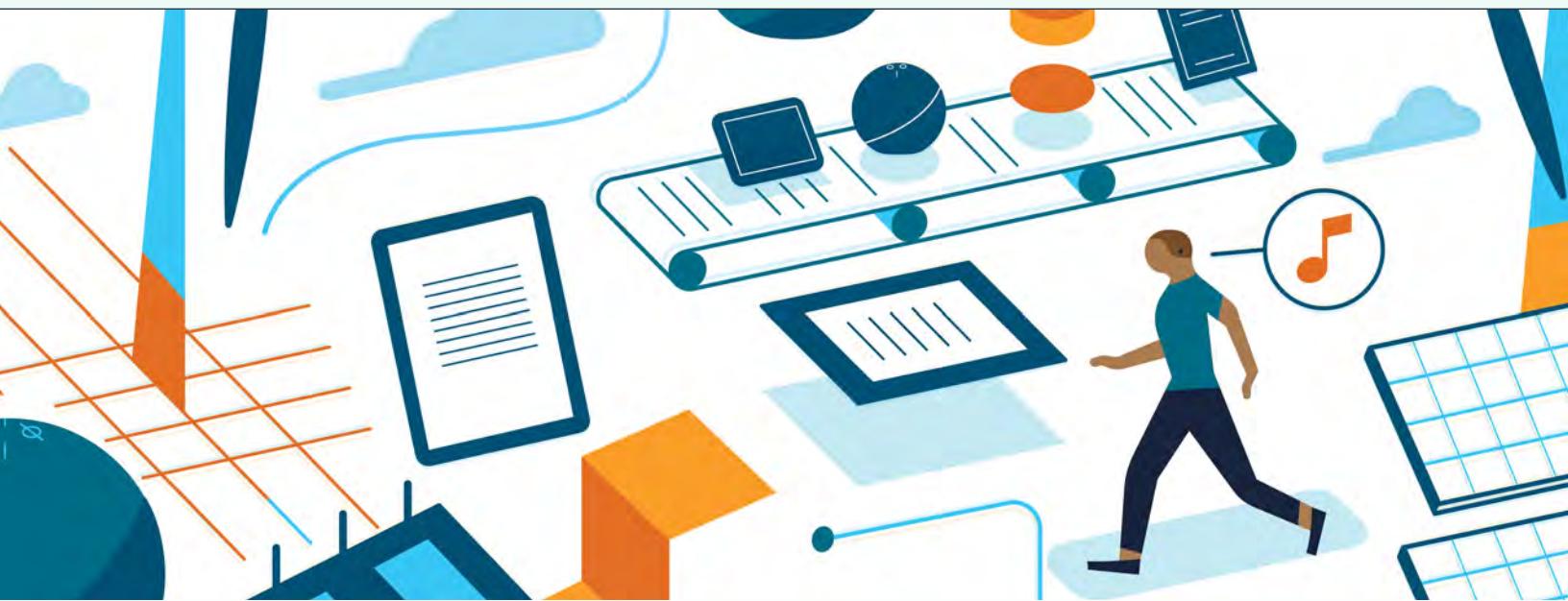
Reverse Logistics: Reverse logistics encompasses what a company does with returned products and how a returned product re-enters the supply chain. The assessment found risks in this sector were similar to those identified for Tier 1 and 2 Manufacturing.

Minerals and Metals: Amazon conducts robust due diligence on our suppliers annually to ensure the absence of conflict minerals (tin, tantalum, tungsten, and gold) in our supply chain. Human rights issues are also associated with other minerals, metals, and rare earth supply chains. Read more about our approach to conflict minerals on page 89.

Plastics and Synthetics: The electronics industry as a whole has limited visibility over the sourcing locations of the plastics and synthetics supply chain or the chemicals used in plastic production. These commodities are sold to countless purchasers across multiple tiers of production, making traceability extremely difficult.

Building on Our Efforts

This HRIA was a key milestone in our human rights strategy and deepened our understanding of salient human rights risks in the Amazon devices supply chain and the electronics industry as a whole. We will incorporate the results of this assessment into our overall business approach, continuing to improve our reporting and transparency and build on our progress. The assessment results pointed to several areas of opportunity. These include increased access to effective grievance mechanisms and remedy through strategic partnerships. We will further our efforts to incorporate social responsibility performance evaluation tools into our assessment of reverse logistics suppliers and work with our suppliers to increase their use of recycled or renewable materials in place of virgin materials. We are also scoping expansion of our human rights due diligence beyond conflict minerals to other minerals with human rights risk. Another critical opportunity includes deepening our engagement with external stakeholders to improve management of our salient human rights risks and identify opportunities for long-term partnerships to address systemic issues. As we implement the HRIA results based on priority, we will continue to identify opportunities to promote human rights across the Amazon devices supply chain.



Transparency and Stakeholder Engagement

We are committed to driving industry-wide best practices in human rights due diligence through increased disclosures about our approach and by expanding our stakeholder engagement. Each year, we publicly share the most up-to-date information about our programs, including external partnerships with organizations that share our core human rights values.

Transparency

We publish an [interactive supply chain map](#) that provides details on suppliers of Amazon-branded apparel, consumer electronics, food and beverage, and home goods products. We expanded the map in 2020 to include suppliers' factory locations, additional suppliers and product categories, more information on capacity building programs completed by individual suppliers, and gender data, where available.

In 2020, we disclosed additional information about our supplier assessment process and audit results, our approach to worker engagement, and the goals we have set for ourselves on such topics as forced labor training and gender equity. In this report, we provide an update on our goals, the results of our mapping to understand our salient human rights risks, the results of our devices human rights impact assessment, and year-over-year supplier audit results. We report annually in line with the UN Guiding Principles on Business and Human Rights Reporting Framework and we annually update our Modern Slavery Statement.



Stakeholder Engagement

Engagement with external stakeholders is key to our human rights due diligence approach. We rely on experts and affected rights-holders to inform our approach and ensure that our efforts have the intended impact. Through these partnerships, we access invaluable expert input to our work, helping us achieve greater impact on working conditions around the world.

In the last year, we have built a number of new relationships, including:

- Joining the Better Cotton Initiative's Retailer and Brand Advisory Panel on Traceability.
- Becoming a pilot sponsor of the Responsible Sourcing Network initiative, YES: Yarn Ethically & Sustainably Sourced. YES works to address forced labor in the cotton value chain by providing training to—and managing the assessment of—spinners and fabric mills to identify, prevent, mitigate, and avoid sourcing cotton produced with forced labor.
- Joining the Centre for Child Rights and Business working group to engage with peer brands and identify common challenges, share resources, and implement best practices to make supply chains safer for children, young persons, and working migrant parents.
- Adding our apparel suppliers to the Open Apparel Registry to foster brand collaboration and action in the apparel industry.
- Joining the Brand Ethical Working Group, an informal group of more than 40 brand members operating in India that work to find solutions to industry-level challenges.

➤ [LEARN MORE ABOUT ALL OF OUR PARTNERSHIPS ON OUR WEBSITE](#)

Employees

Our employees are critical to our mission of being Earth's most customer-centric company. Our ranks are full of passionate people who are building new products and services every day on behalf of our customers.



Investing in Our Employees



Amazon is building a strong culture and investing in our people to attract the diverse, innovative workforce we need to exceed our customers' expectations today and into the future. We are committed to providing the support, benefits, and opportunities our employees need to be successful, whether they are building their careers at Amazon or developing skills with us to help them on their professional journey.

Comprehensive Benefits and Competitive Pay

In the U.S., Amazon's starting wage is \$15 per hour for all full-time, part-time, temporary (including those hired by agencies), and seasonal employees. We also offer competitive starting wages around the world. Our starting hourly wage is 9.70 GBP in the UK, 16 CAD in Canada, 12 EUR in Germany, and 10.67 EUR in France. Offering leading starting wages has a positive impact on other wages in local labor markets where Amazon operates in the U.S. A [recent study](#) by economists at the University of California-Berkeley and Brandeis University found that Amazon's decision to increase its starting wage to \$15 per hour resulted in a 4.7% increase in the average hourly wage among other employers in the same labor market based on commuting zone.

\$15/hour

Starting hourly wage for all full-time, part-time, temporary, and seasonal employees in the U.S.

In addition to competitive pay, regular full-time employees in the U.S. have opportunities to participate in a 401(k) plan with 50% company matching up to 4% of compensation; open Flexible Spending Accounts for health and dependent care; and receive paid time off and holiday overtime pay.

Healthcare and Family Support

In the U.S., we offer comprehensive, transgender-inclusive health benefits that start the first day on the job for regular, full-time employees. More than 90% of our regular full-time and part-time employees in the U.S. are eligible for healthcare benefits. These benefits include medical, prescription drug, dental, and vision coverage. To increase access to quality and affordable healthcare for our employees, we are building a network of Neighborhood Health Centers on-site or close to our facilities in five U.S. states, offering clinics exclusively dedicated to serving our employees and their families. We offer U.S. employees and their families access to telehealth and on-demand healthcare services through Amazon Care, which allows them to connect with a doctor in 60 seconds or less. We also launched a new mental health benefit in 2021 called Resources for Living, offering free confidential mental health services to U.S. employees, their families, and members of their household.

Amazon offers generous, flexible paid leave for parents, from our hourly employees to our most senior executives. We offer up to 20 weeks of paid leave to birth mothers and six weeks to non-birth parents or parents who adopt. In the U.S., we offer adoption reimbursement, access to comprehensive infertility coverage, and parental leave benefits like Leave Share and Ramp Back. Leave Share allows employees to share any amount of their parental





leave with their partner. Ramp Back enables employees to return to work after birth or adoption on a flexible, reduced schedule for up to eight weeks. Where possible, we provide unlimited gender transition benefits, including gender affirmation, and we have internal resources to help managers and team members support employees who are going through gender transition.

90%

Over 90% of Amazon regular full-time and part-time employees in the U.S. are eligible for healthcare benefits.

Outside of the U.S., we offer our employees access to benefits to support physical and financial well-being, including access to healthcare coverage and long-term savings plans. We are working to evolve our benefits programs in different countries to support the needs of our diverse workforce. For example, in India, we cover infertility treatment and gender reassignment surgery through a select network of high-quality service providers. Amazon

employees in 26 countries have access to telehealth services, providing fast and safe access to care, and in 21 countries, ReThink helps families with children who have autism and other disabilities build the skills they need to reach their fuller potential. Additionally, Amazon employees around the world and their eligible dependents have access to an Employee Assistance Program that provides mental health support 24 hours a day.

Education and Career Advancement

In 2019, Amazon committed \$700 million to pilot, launch, and scale free or low-cost upskilling opportunities to 100,000 employees by 2025. Since making this commitment, Amazon has scaled and expanded our skills training programs, with 15,000 employees participating in the first 12 months. Through this pledge, Amazon is helping our workforce gain education to transition into high demand and technical roles in areas that will continue growing in years to come, such as medicine, cloud computing, and machine learning.

► [**LEARN MORE IN OUR
UPSKILLING 2025 REPORT**](#)

Among our skills training programs is Career Choice, which pre-pays 95% of tuition for courses in high-demand fields for employees in the U.S., Europe, Australia, South Africa, Canada, and Costa Rica. Through Career Choice, more than 40,000 employees in 14 countries have pursued degrees across the fields of information technology, healthcare, mechanical and skilled trades, administration and business services, and transportation. Additional programs include Amazon Apprenticeship, Amazon Technical Academy, Associate2Tech, Machine Learning University, and AWS Training and Certification, all of which help Amazon employees gain critical skills to move into higher skill, better-paying, technical and non-technical roles, either within Amazon or elsewhere.

Protecting Our Employees During COVID-19

Our top priority is ensuring the health and safety of our employees, which is why Amazon made over 150 process improvements and invested more than \$11.5 billion on COVID-related initiatives to keep employees safe and get products to customers throughout 2020. This includes



Employing Veterans and Military Spouses

As of June 2021, Amazon employed more than 40,000 veterans and military spouses across the U.S., surpassing the [Joining Forces Pledge](#) we made in 2016 to hire 25,000 veterans and military spouses over the next five years, and to train 10,000 active duty service members, veterans, and military spouses. Amazon provides a Military Leave of Absence to all eligible serving employees, including differential pay, continued healthcare coverage, and job protection. Amazon military employees across the U.S. have served more than 20,000 days in the Reserves and National Guard in 2020, from serving as aircraft technicians transporting COVID-19 patients, to assembling essential COVID-19 test kits.

investments related to COVID-19 safety measures such as personal protective equipment, enhanced cleaning of our facilities, processes that allow for effective social distancing, higher wages for hourly teams, and developing our own COVID-19 testing capabilities.

We added more than 5,700 janitorial staffers to our teams and 2,200 handwashing stations to our global facilities in 2020. We provided supplies to our fulfillment centers and office sites, including more than 283 million masks, 287 million gloves, 513 million ounces of hand sanitizer, 450 million ounces of sanitizing spray, 1.5 trillion wipes, 351,000 thermometers, and 16,500 thermal cameras. As part of our effort to keep our front-line employees safe, we built our own COVID-19 testing capabilities and have the capacity to conduct tens of thousands of tests per day across hundreds of sites. We are also advocating for COVID-19 vaccinations for our front-line employees, including team members working in fulfillment and data centers and at our Whole Foods Market stores.

To support our global front-line employees who continue to deliver critical supplies to customers, we provided more than \$2.5 billion in bonuses and incentives in 2020. We offer company-subsidized child and adult backup care to full-time and part-time Amazon and Whole Foods Market employees in the U.S. An employee diagnosed with COVID-19 receives up to [two weeks of paid time off](#), in addition to their other paid and unpaid time off options. We also established a [\\$25 million relief fund](#) to support

our partners, like delivery drivers, and seasonal employees facing financial hardship or quarantine.

As part of Amazon's commitment to help India fight the second wave of the COVID-19 outbreak, we provided oxygen concentrators, oximeters, and other critical supplies to employees in need. Amazon worked with partners to deliver more than 8,000 oxygen concentrators and 500 BiPAP machines from Singapore to hospitals and public institutions supporting patients infected with COVID-19 across India. Amazon also procured 100 ventilators for hospitals with the most urgent needs and worked with the equipment manufacturer to install, maintain, and train personnel to use the machines. We provided additional leave for associates who tested positive for the virus and expanded India's sick leave policy to cover leave for caregivers. Safety of our customers and teams in India continues to be our top priority.

► [LEARN MORE ABOUT HOW WE ARE SUPPORTING OUR EMPLOYEES DURING THE COVID-19 PANDEMIC ON OUR COVID-19 VACCINATION AND TESTING BLOG](#)

Employee Spotlight: Andre Grass

Having dropped out of high school to help support his family, Andre Grass was an Amazon packer who enrolled in the Associate2Tech (A2Tech) program in 2017. A2Tech is a 90-day program, paid for by Amazon, that is designed to give fulfillment center associates a way to move into a more highly skilled career by providing the training and industry certification needed to make it happen. The program includes opportunities to shadow another technician and gain hands-on experience in IT as a support technician. During the program associates have about eight hours a week to take online courses while at work. Andre completed his A2Tech training and certifications in three months and became an IT support engineer. "Since graduating from the program, I've had the opportunity to launch new sites and work on projects that improved overall customer experience, and have been promoted to the next level within IT."



Safety, Health and Well-Being

We aim to be Earth's safest place to work. We are committed to ensuring the safety and well-being of all Amazon employees every day. Our work environment allows almost anyone—regardless of background, skill level, or experience—to work with confidence.

Everyone at Amazon shares ownership in creating a safe workplace, and we invest in resources to help our employees thrive. We are constantly evaluating new technologies and learning opportunities to optimize how employees and leaders build capabilities, receive critical safety information, and prepare to meet future challenges.

Investing in Safety

Our safety performance is possible because of the drive and commitment of our operations employees and our 6,200 safety professionals, who are dedicated to using the science of safety to solve complex problems and establish new industry best practices.

Beyond building a strong safety team, we invested more than \$11.5 billion in COVID-19-related measures to help keep employees safe in 2020. We also committed an additional \$125 million to non-COVID-19-related safety capital projects, such as vehicle safety controls and engineered ergonomic solutions. In 2021, we will invest over \$300 million in new and continuing safety projects, including an initial \$66.5 million investment to create technology that helps avoid powered industrial truck collisions and significantly improve forklift safety.

Safety Design and Technologies

We design and create new solutions to continuously reinforce and improve safety in our operations. This includes



integrating new and advanced technologies that increase safety at every step of Amazon's process, from receiving vendor shipments to sorting multiple packages into shipments ready for delivery.

Six to 18 months before opening a new site, we scrutinize every safety and engineering detail to limit potential hazards and lower risk. When opening new facilities, we only launch sites after they have successfully passed 2,500 safety checkpoints. We have strict equipment and machine design, installation, testing, and compliance standards. We regularly review those standards with manufacturers and vendors.

Amazon fulfillment facilities are equipped with a variety of technologies to reduce physical demands on our employees. For example, we use custom-designed tables that lift items electronically, keeping employees from having to bend over to pick up objects to place on conveyors. We also developed wearable technologies to protect our employees on the job.

850K

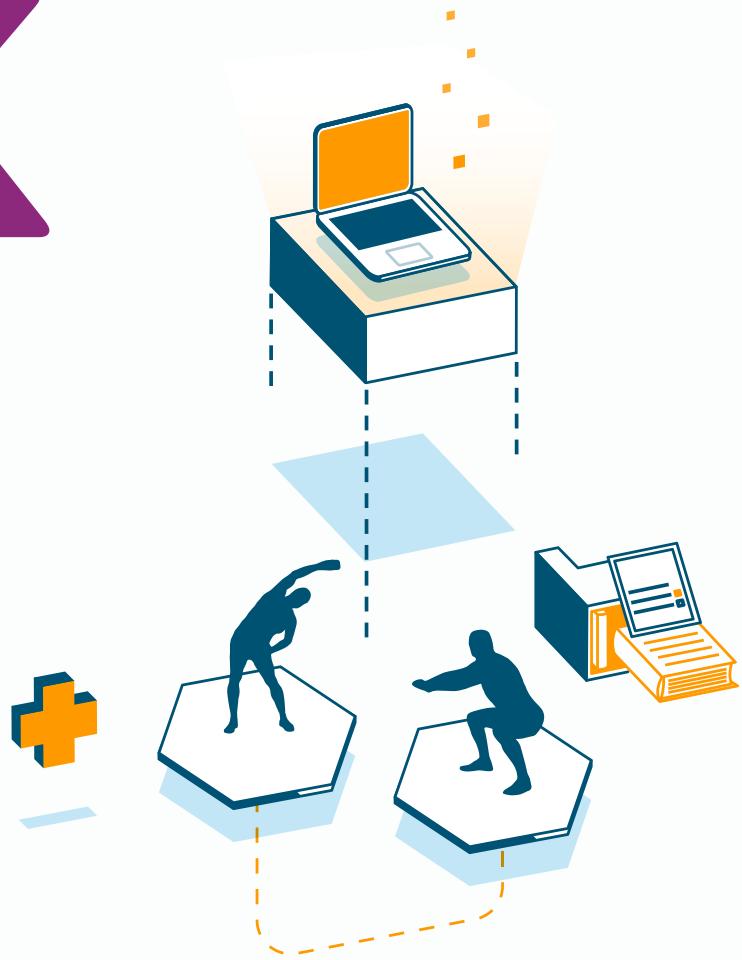
Our WorkingWell program reached more than 850,000 associates in 2020

We provide intelligent safety vests for employees who work alongside robotic pods, which use short-range radio frequencies to send signals to the robots to slow down, alter their work, or stop when they detect employees nearby. We developed a similar wearable vest for grocery delivery fulfillment facilities in North America that tracks how long employees spend inside freezers in order to limit their cold exposure.

Beyond our facilities, our delivery network is powered by thousands of small businesses and drivers who rely on Amazon's technology and safety initiatives every day. Our vehicles are fitted with camera safety technology, use artificial intelligence to capture real-time road conditions, and identify at-risk driving events. These technologies are used to help keep drivers and the communities where we deliver safe. When we piloted this technology from April to October 2020 on more than 2 million miles of delivery routes, we found that crashes decreased 48%, stop sign violations decreased 20%, driving without a seatbelt decreased 60%, and distracted driving decreased 45%.

Musculoskeletal Disorders

Nearly 40% of work-related injuries at Amazon are classified as musculoskeletal disorders (MSDs), such as sprains or strains due to repetitive motion. This type of injury is common with the type of work that we do and is most likely to occur during an employee's first six months at Amazon. This insight has inspired some of our most significant safety, health, and wellness initiatives and technologies to date.



Among these initiatives is our WorkingWell program, where we educate new employees about their bodies, health, and wellness to help them successfully adapt to working at Amazon. This program is available at 350 sites, reaching more than 850,000 associates and contributing to reducing Amazon's overall MSD recordable incident rates in 2020. WorkingWell has received positive feedback from 88% of associates, and we are expanding the program in 2021, with the aim of cutting our recordable incident rates by 50% by 2025.

We are committed to utilizing our distinctive technological capabilities, embracing our expertise in health and wellness, and collaborating with proven thought leaders and scientists to lead the way for workplaces around the world to proactively manage and prevent work-related injuries.

Diversity, Equity, and Inclusion

At Amazon, we value diversity, equity, and inclusion. We believe these values are good for business and, more fundamentally, are simply right. Amazon customers have many intersecting identities, and we serve them better with a diverse and inclusive workforce. Our diverse perspectives help us push each other to think bigger, and differently, about the products and services we build for our customers and the day-to-day nature of our workplace.

Our Approach to Diversity, Equity, and Inclusion

We take very seriously our commitment to respect and value people from all backgrounds, including gender, race, ethnicity, religion, sexual orientation, and disability. We serve diverse customers, operate in diverse communities, and rely on a diverse workforce. Diversity, equity, and inclusion are cornerstones of our continued success and critical components of our culture. Our ability to innovate on behalf of our customers relies on the perspectives and knowledge of people from all backgrounds, and the policies and procedures we have in place for our employees, selling partners, suppliers, and customers highlight our commitment and approach.

Like many companies and institutions, we have more work to do on diversity, equity, and inclusion, but we believe we are on the right path. We have initiated numerous near-term and long-term programs and strategies across key aspects of our business to increase diversity and representation in our workforce, expand our efforts to build an inclusive culture, and address racial justice.



Focusing on Representation

We are committed to increasing representation of employees from diverse backgrounds at every level of our organization. We know that diverse leaders attract and retain diverse teams, so we focus our efforts on hiring, retention, growth, and development, including promotion of our employees. In 2020, we set and met goals to double the representation of Black directors and vice presidents, launch inclusion training for all Amazonians, and remove racially insensitive language in our tech documentation. We work with strategic partners focused on representation, including Management Leadership for Tomorrow (MLT), a nonprofit organization that works to strengthen recruitment and retention of Black, Latinx, and Native American employees. We are joining other employers in the MLT Black Equity at Work Certification, a new standard that requires employers to assess and make meaningful progress toward achieving Black equity internally while supporting Black equity in society.



Building on last year's work, in 2021, we set company-wide goals for diversity, equity, and inclusion. We set goals for our vice president team to inspect any statistically significant demographic differences in 2021 first-quarter performance ratings and, on a monthly basis, any statistically significant demographic differences in attrition and low performance actions to identify root causes and, as necessary, implement action plans. We also set a goal to retain employees at statistically similar rates across all demographics. We will build a scalable mechanism in Connections, an employee feedback mechanism, to inspect inclusion sentiment by demographic for all employees and we will ensure that 100% of Amazonians take company-wide, required inclusion training. We will build scalable mechanisms that address new instances of non-inclusive terms in our code.

For the second year in a row, we set a goal to double the number of U.S. Black employees in Level 8 (director) and Level 10 (vice president) positions year over year from 2020 numbers. We also set a goal to increase hiring of U.S. Black employees in Level 4 through Level 7 positions by at least 30% year over year from 2020 hiring. Our goal is to increase the number of women at Level 8 and Level 10 positions—including senior principals, directors, vice presidents, and distinguished engineers—in tech and science roles by 30% year over year. We also set a goal to increase the number of U.S. Black software development engineer interns by at least 40%.

These goals represent the next step in Amazon's diversity, equity, and inclusion journey, not the final destination. It is going to take time and consistent focus to get where we want to be. Additionally, these goals represent only a slice of Amazon's ongoing work in this area. Owners from across the company are focused on diversity, equity, and inclusion, from the way we select vendors and financial partners, to the way we use our online store to support our selling partners, to the way we roll out products and media to the world. We are using the same mechanisms that we use for our most important business initiatives to build a truly inclusive and equitable workplace, setting goals and holding regular reviews to ensure our progress. Since June 2020, the majority of the S-Team, Amazon's top executives, has met biweekly to scrutinize our progress toward reaching these goals and removing barriers to delivery. At Amazon, we are working to shape a more equitable and inclusive future.

Building an Inclusive Culture

To better understand what inclusion means for our employees, we conducted a global internal survey which led to Amazon's definition of inclusion: "Being valued, trusted, connected, and informed so that we can deliver the best results for our customers." We use this definition to guide us as we create educational initiatives, continually improve our mentorship program, and deliver benefits for all of our employees.

Amazon has 13 employee-led affinity groups, comprised of more than 90,000 employees in hundreds of chapters globally who passionately and positively impact our company. Each affinity group has executive sponsors who support them in engaging at every level of the company. Groups include Amazon People with Disabilities; Amazon Women in Engineering; Asians@Amazon; Black Employee Network; Body Positive Peers; Families@Amazon; Glamazon (for LGBTQIA+ employees and allies); Indigenous@Amazon; Latinos@Amazon; Mental Health and Well-Being; Warriors@Amazon; Women@Amazon; and Women in Finance Initiative. We engage and consult their leaders and seek their ideas to improve our inclusion efforts internally and externally. We are proud that our efforts have received recognition from the Human Rights Campaign's Corporate Equality Index; the NAACP Equity, Inclusion, and Empowerment Index; and the Disability Equality Index.

Indigenous@Amazon

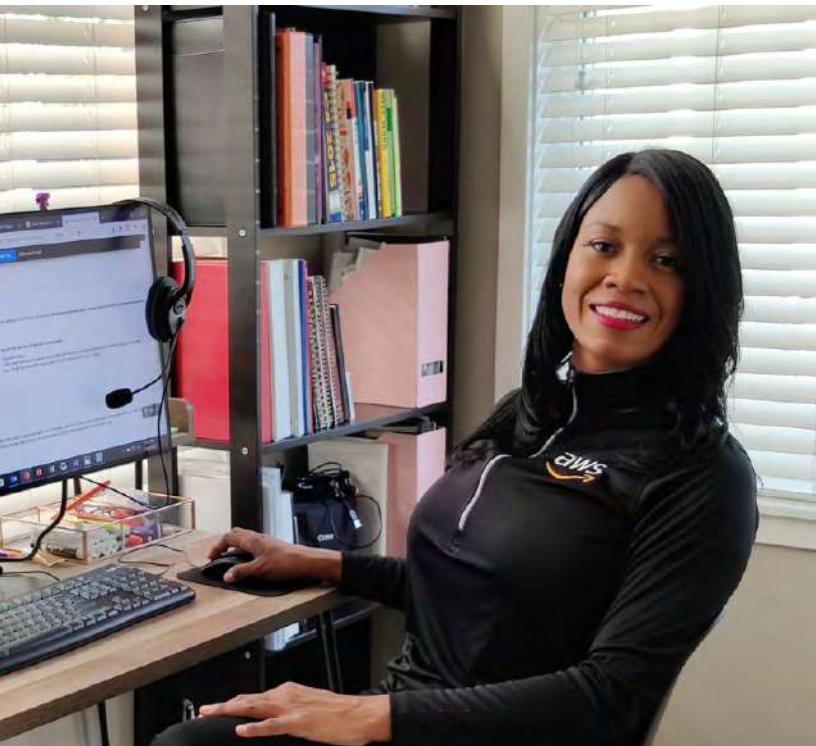
Indigenous@Amazon is an inclusive employee affinity group dedicated to making an impact that celebrates and elevates diverse Indigenous cultures. The group fosters a community of Indigenous employees and allies through networking and shared experiences with the goal to make Amazon the premier employer for Indigenous people by increasing recruitment, representation, and retention of Indigenous people at Amazon. In 2020, the group participated in Amazon's Represent the Future Summit, a career enrichment summit designed to uplift Native American, Black, and Latinx professionals through participation in sessions on building the future through innovation and on why representation and authenticity matter. Indigenous@Amazon also works with a variety of nonprofit organizations to support the growth and development of Indigenous Peoples and communities. This support ranges from donations to tribal communities impacted by current events to offering coding camps for Native Americans.



Racial Justice and Equity

The inequitable and brutal treatment of Black people is unacceptable. We stand in solidarity with our Black employees, customers, and partners. We are committed to helping build a country and a world where everyone can live with dignity and free from fear. We will continue to support regulation that eliminates the unjust targeting of people based on race, including the George Floyd Justice in Policing Act, policies that protect and expand voting rights and provide better health and educational outcomes for Black and Brown communities around the world.

Amazon donated \$10 million to organizations working to bring about social justice and improve the lives of Black and African Americans. Recipients—selected with the help of Amazon's Black Employee Network (BEN)—include groups focused on combating systemic racism through the legal system as well as those dedicated to expanding educational and economic opportunity for Black communities. This initial donation was followed by a successful employee donation matching program that resulted in an additional \$17 million going to these organizations in 2020. While it will take years of thoughtful focus and partnership to make the progress needed, Amazon is committed to being part of the solution.



Asians@Amazon

Asians@Amazon provides a support structure and network for Pan-Asian communities. The group helps recruit, onboard, and connect employees of Asian descent across geographies by sharing experiences and providing access to career development, networking, and community building opportunities. They also host local community and recruiting events. For example, in 2021 the group hosted an inclusion town hall to address the increased blame, racism, and xenophobia faced by Asian and Pacific Islanders after the onset of the COVID-19 pandemic. The event focused on healing and allyship, providing resources, and advocating for inclusion through anti-racist art and spoken word performances.

Amazon is proud to sign on to the Asian American and Pacific Islander (AAPI) Giving Challenge, joining leaders in business as a corporate partner for the launch of The Asian American Foundation (TAAF), a new nonprofit organization committed to accelerating opportunity and prosperity for Asian American and Pacific Islander communities. TAAF focuses on anti-hate efforts, data and research, and education. Amazon proudly supports the foundation's stated mission of serving the community in the pursuit of belonging and prosperity, free from discrimination, slander, and violence.

Enhancing Opportunity

We are invested in building out the next generation of diverse leaders. As part of our [\\$50 million investment](#) in computer science and STEM education, our Amazon Future Engineer program inspires, educates, and prepares children and young adults from underrepresented and underserved communities to pursue computer science. In 2021, we set a goal to reach 1.6 million underrepresented students globally through Amazon Future Engineer with real world-inspired virtual and hands-on computer science project learning. We actively partner with organizations and academic institutions that reach underrepresented communities like Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), women's colleges, and tribal colleges. This includes hosting hiring fairs in underrepresented communities around the world and committing to the HBCU Partnership Challenge to support greater engagement between private companies and HBCUs.



We are also empowering women to lead in the technology industry. AWS has partnered with Girls in Tech, a global nonprofit committed to eliminating the gender gap in an industry where only 26% of computer scientists are women. Girls in Tech is among the organizations pushing hardest to provide women with access to jobs in technology through education, professional development, and community-building experiences. To enhance these efforts, AWS supports the Girls in Tech annual conference, its Digital Career Fair, a virtual hackathon focused on creating real-world technical solutions powered by women, and AMPLIFY, a startup pitch competition that helps entrepreneurs with funding and mentorship.

*This is just one small step
I am taking to help end
systemic racism.
I feel honored and
grateful to work for an
employer that shares
these same values.*

– Cassi H., Amazon Employee

Obsessing Over Customer Inclusion

Amazon's focus on accessibility has made shopping and other daily experiences simpler for people with disabilities. We believe technology should be inclusive, accessible, and useful to everyone. By inventing new experiences that support all of our customers, we help create a more accessible world. While there's much more to do, we continue to build [accessibility features](#) across our devices and services around the world and have been recognized for our efforts with the 2019 American Foundation for the Blind [Helen Keller Achievement Award](#).

Empowering Diverse Entrepreneurs

Through the Amazon business credentialing program, minority-owned, women-owned, veteran-owned, and LGBTQIA+-owned small businesses can promote their products. Customers can shop at storefronts that support women-owned businesses and Black-owned businesses, as well as at the Amazon Saheli store, which displays products from women entrepreneurs in India.

LGBTQIA+ Rights

The rights of LGBTQIA+ people must be protected. We were early and strong supporters of marriage equality and will continue to advocate for protections and equal rights for transgender people. We stand together with the LGBTQIA+ community and are working at the U.S. federal and state levels on legislation, including supporting passage of the Equality Act. Amazon provides gender transition benefits based on the Standards of Care published by the World Professional Association for Transgender Health. Amazon holds a gender identity conference to build community, educate those outside of the LGBTQIA+ community, and provide professional development opportunities for those at Amazon while transitioning openly in the workplace. We have a Transgender Toolkit for transgender and non-binary identifying employees, and we provide transgender-inclusive health benefits for Amazon employees. We are proud to have our efforts recognized, scoring 100% on the Human Rights Campaign's Corporate Equality Index for LGBTQ rights for the last three years.

Diversity, Equity, and Inclusion Conferences

Building on our Leadership Principle of Learn and Be Curious, we organize conferences every year where employees can learn and exchange their ideas and experiences. Several of these conferences focused specifically on diversity issues.

Represent the Future is a career enrichment summit centered around uplifting Black, Latinx, and Native American communities. This event is open to participants from any organization around the world to learn more about Amazon's customer-obsessed culture of diversity and inclusion that inspires everything we do. Recruiters and hiring managers from across Amazon share insights about Amazon's 14 Leadership Principles, current job opportunities, and our application and interview process.

Conversations on Race and Ethnicity (CORE+) is a global brand of internal experiences that focuses on deepening Amazon employees' understanding of systemic barriers through conversations on topics related to intersectional identities, including race, ethnicity, and gender, with additional focus on nationality, ability, sexual orientation, military status, religion, age, and language.

Amazon Global Diversity Summit is a professional development experience for Amazon's diversity, equity, and inclusion global practitioners. This event focuses on industry-leading research, ideas, and mechanisms related to race, ethnicity, and social justice and highlights best practices pioneered by various business units.

Global Accessibility Awareness Month is recognized each May at Amazon. Around the world, the month is full of events, technical talks, experiential trainings, podcasts, and workshops that showcase accessibility best practices. Employees take time throughout the month to learn about accessibility, even if it is not a part of their day-to-day work.

AmazeWIT is a conference we host in India, bringing together women technologists, including Amazon's technical leaders and external guests. The day-long event focuses on technology deep dives (including voice technology, machine learning, Fire OS, and others) and leadership discussions with senior Amazonians and peer companies.

Amazon's leadership and BEN have worked hand-in-hand to identify organizations in the Black community that make a difference and will contribute to them in a meaningful way. In addition to the organizations chosen, we will work with our chapters to identify local groups to support. We will continue conversations about how Amazon can support employees and the Black community.

— Angelina Howard, former President of Black Employee Network



Representation matters.

We track the representation of women and underrepresented communities because we know that diversity helps us build better teams that obsess over and better represent our global customer base. We have made year-over-year progress, and we will continue to strive for better representation across our company.

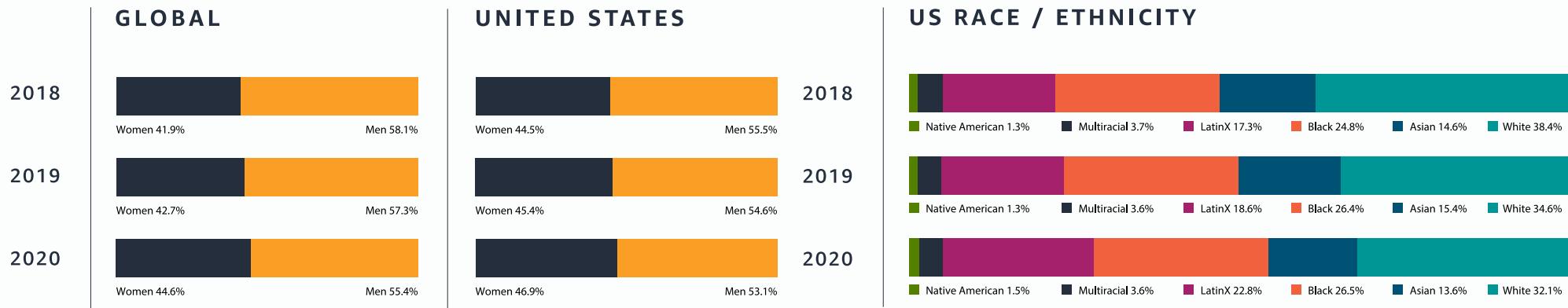
See our workforce data on pages 77-79.



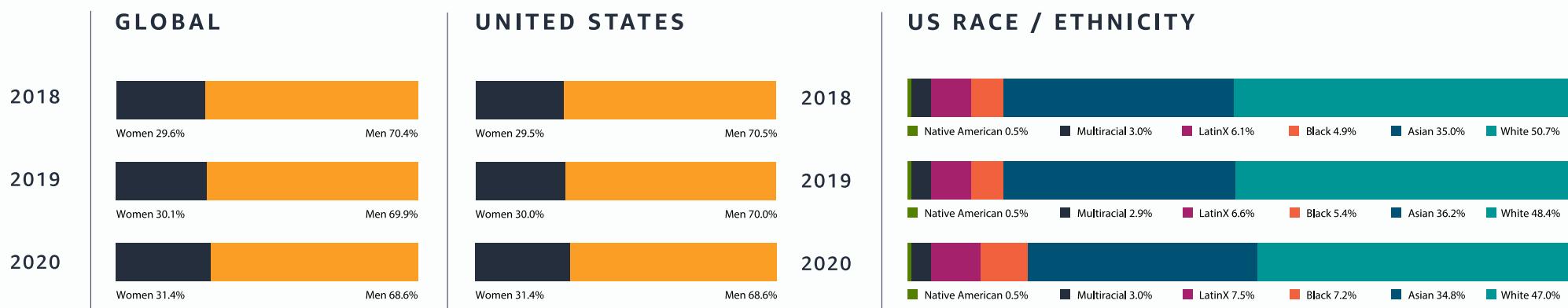
Pay Equity

Amazon prioritizes pay equity. A review of the compensation awarded in 2020 at Amazon, including base pay, cash bonuses, and stock, shows that women employees in the U.S. were on par in pay equity with men, earning a dollar for every dollar that men earned performing the same jobs, and minorities earned 99.2 cents for every dollar that white employees earned performing these same jobs.

Amazon Workforce (All Levels)



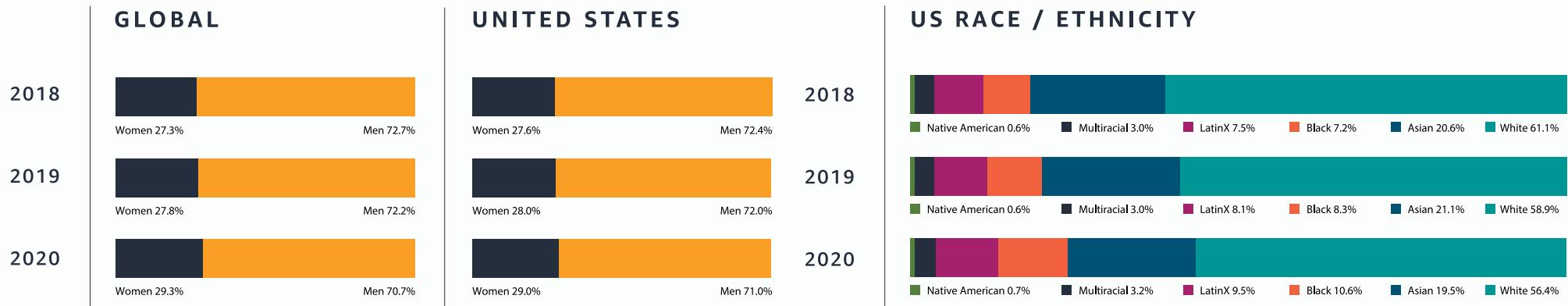
Corporate Employees (Level 4 – Level 7)



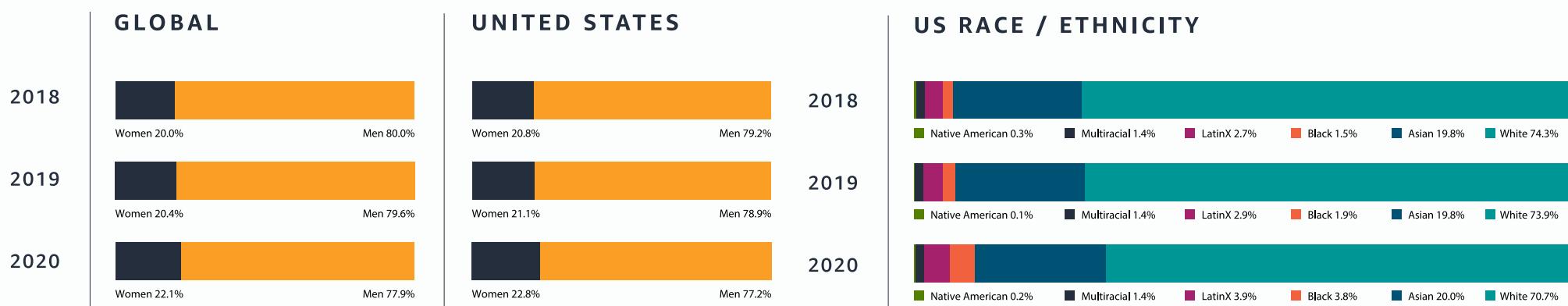
The data included here is a three-year trend of our global gender and U.S. race and ethnicity data as of December 31, 2020.



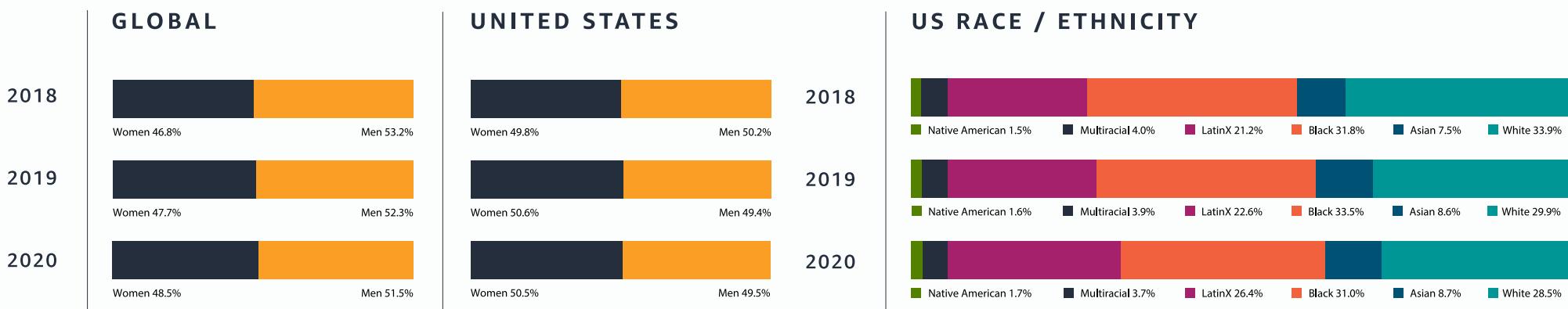
People Managers



Senior Leaders (Level 8+)



Field & Customer Support (Level 1 – Level 3)





Employee Engagement

Consistent, honest, and open communication with our employees allows us to continuously improve our workplace experience, empowering individuals to raise concerns and have them directly addressed by leadership. Our goal is to hear from and listen to everyone.

Below are some of the many ways an Amazon employee can choose to communicate with management.

Open Door Philosophy

We believe candid and constructive communication in an environment of mutual respect is essential to our collective success. We have an open-door policy, which means we welcome and encourage any employee to discuss suggestions, concerns, or feedback with their manager, a Human Resources team member, or any member of Amazon's leadership team.

Voice of the Associate Boards

Voice of the Associate boards are in Amazon fulfillment centers around the globe—physically and virtually—providing employees a forum for expressing their concerns, offering suggestions, and asking questions on a daily basis to leadership. Leadership teams reply directly to questions, promoting dialogue and efficient remediation of issues. In 2020, our managers received and responded to more than 245,000 comments, questions, and issues raised on the Voice of the Associate boards.

Connections

Connections is a real-time, company-wide employee feedback mechanism designed to listen to and learn from employees at scale to improve the employee experience. Each day, Connections questions are delivered to every

Amazon employee on a computer, a workstation device, or hand scanner generating more than 1.2 million responses from employees daily. Employees may choose to answer or not answer any question, and individual responses are aggregated and shared with managers at the team level to maintain confidentiality. Connections analyzes response data and provides insights to managers and leaders to review and take actions as they uncover issues or see opportunities to improve. Employees respond to Connections questions at more than 3,000 unique locations in 53 countries, and questions are delivered in 26 languages.

Managers receive Connections data on a dashboard that looks like this, which shows aggregated responses for a specific set of questions:



Appeals Process

In the U.S. and Canada, Amazon's appeals process is a dispute resolution mechanism for employees in certain stages of our fulfillment network to challenge certain disciplinary actions involving final written warnings and terminations. A second level manager or general manager may review the issues raised in an appeal, including management decisions, to determine if a policy or practice was applied properly and consistently. If not, we will remediate the issue consistent with





our policies and practices. In June 2020, we introduced an online paperless appeal process, providing a more accessible experience for employees.

Ethics Hotline

In performing their job duties, Amazon employees should always act lawfully, ethically, and in the best interests of Amazon. The [Code of Business Conduct and Ethics](#) (Code of Conduct) sets out basic guiding principles for all employees. Employees may raise questions or report suspected violations of our Code of Business Conduct and Ethics through Amazon's Ethics Line globally, by phone or online. The Ethics Line is the second most utilized method for employees to raise concerns, and employees have used 30 of the 165 languages available to do so. Reports to the Ethics Line are answered by an independent third party and may be made

anonymously on request. Our Business Conduct and Ethics team records, reviews, and directs for investigation calls for potential violations of the Code and tracks cases through to remediation when necessary. Certain allegations of violations of the Code are also reported up to either the Audit Committee or the Leadership Development and Compensation Committee.

Executive Escalations

Suggestions or complaints emailed to a member of the senior leadership team are considered Executive Escalations. Any employee can utilize this method of providing a suggestion or raising a concern to leadership. All escalations are independently reviewed by Human Resources, used as a learning opportunity, and may be used to update our processes to prevent gaps in the future.

Associate Insight Surveys

Annual surveys ask employees to anonymously express opinions about issues in the workplace, and managers respond by remediating issues or making improvements.

Regular In-Person Meetings While Maintaining Social Distancing

Through all-hands meetings with general managers, stand-up meetings with direct supervisors, and one-on-one meetings, employees have daily opportunities to engage with leaders, raise issues, and make suggestions to continually improve our workplace.

Associate Roundtables

The purpose of Associate Roundtable meetings is to provide leaders and associates with a meaningful opportunity to discuss issues. Leaders hear directly from hourly associates, who can ask questions about any topic and get immediate feedback. Associates are able to share their thoughts of their job, their work environment, and any challenges they face. The leadership team uses the information to improve the workplace and the associate experience.

Associate Forums

In Associate Forums—active in a number of countries, including the UK, Poland, and Slovakia—associates, elected by their peers, meet regularly with management to discuss associate ideas, issues, and concerns, and engage in projects and activities to build employee engagement.

Freedom of Association

We respect freedom of association and our employees' right to join, form, or not to join a labor union or other lawful organization of their own selection, without fear of reprisal, intimidation, or harassment. These rights should be exercised in an informed and thoughtful manner. Amazon has a variety of elected associate forums and work councils around the world, and



Amazon has associates represented by some form of collective bargaining in many countries. In the first quarter of 2021, the National Labor Relations Board oversaw a union vote at our fulfillment center in Bessemer, Alabama. In the end, employees made the choice to vote against joining a union; less than 16% of employees voted to support joining the union.

We value worker feedback, and are committed to providing our employees with grievance mechanisms and remedial action, regardless of collective bargaining presence. We firmly believe it is in the best interests of our employees and our company to continue our direct communications, and the best way to effect positive change is for our employees and managers to continue working together directly. We work hard to listen to our employees, make continuous improvements, and invest heavily to offer competitive pay and benefits in a safe and inclusive workplace.

Supply Chain

Amazon is strongly committed to conducting our business in a lawful and ethical manner, including engaging with suppliers who respect human rights, provide safe and inclusive workplaces, and promote a sustainable future.



Responsible Sourcing Program

Our goal is for our products and services to be provided in a way that respects human rights and the environment. Our global teams work closely with suppliers to communicate our standards and help suppliers build their capacity to provide working environments that are safe and respectful of human rights.

Our Approach

Our standards reflect that we are committed to respecting and supporting the UN Guiding Principles on Business and Human Rights, the UN Universal Declaration of Human Rights, the Core Conventions of the ILO, and the ILO Declaration on Fundamental Principles and Rights at Work. To ensure our policies and programs incorporate these internationally recognized human rights standards, we conduct formal benchmarking with industry peers and multi-stakeholder organizations to continually improve our program. At least every three years in line with industry best practices, we review our Supply Chain Standards against policies developed by industry associations (such as the Responsible Business Alliance and the Consumer Goods Forum) and in consultation with external stakeholders, including [Nest](#), [Business for Social Responsibility](#), [Impactt Limited](#), and [Verité](#).

Top 5 Sourcing Countries

- China
- United States
- India
- Vietnam
- Japan



Supply Chain Standards

We set a high bar for ourselves and our suppliers. Our Supply Chain Standards detail the requirements and expectations for our suppliers, their supply chains, and selling partners who list products in our stores. They are grounded in principles of inclusivity, continuous improvement, and supply chain accountability. We engage with suppliers that are committed to these same principles; suppliers are subject to these standards as a condition of doing business with us.

► [DOWNLOAD AND READ OUR SUPPLY CHAIN STANDARDS](#)

Our Selling Partners

Selling partners are third-party sellers and retail vendors who offer products for sale in Amazon's stores. Our Supply Chain Standards apply to every product sold in our stores and we expect selling partners to do their own due diligence, ensuring every product is produced in safe, healthy, and inclusive work environments. We evaluate credible allegations or reports of selling partner violations of our Supply Chain Standards, including but not limited to those published by governments, reputable investigators, journalists, or human rights defenders. If we have reason to suspect certain products do not meet our Supply Chain Standards, we may request that the selling partner demonstrate the products it sells in our store were manufactured in accordance with Amazon's Supply Chain Standards, such as providing evidence of auditing protocols, showing processes for assessing factory working conditions, engaging in unannounced audits, participating in an approved industry association that includes factory monitoring, or verifying where the products are made.

Supply Chain Transparency

We believe supply chain transparency is essential to our approach to human rights due diligence and to ensuring worker protections. The suppliers that produce Amazon-branded apparel, consumer electronics, food and beverage, and home goods products are shown on our [supply chain map](#), which is updated annually and is available for download. We publish a supplier list to provide customers and external stakeholders visibility into where we source and to contribute to transparency efforts across industries. When we receive information about potential issues in our supply chain, we investigate and take appropriate action to remediate.

Risk Assessments

We routinely evaluate our supply chain to understand the highest risks to workers and prioritize our efforts. To do this, we engage key internal and external stakeholders, analyze our risks using international risk indices such as the World Bank's Worldwide Governance Indicators, run worker surveys, and conduct assessments that include worker interviews, management interviews, document review, and on-site visits. We regularly consult industry experts to review our approach to risk assessment against globally recognized international standards and industry best practices.

Supplier Assessments

Our Responsible Sourcing Program focuses on suppliers of Amazon-branded products, consisting of Amazon Private Brands, Amazon devices, and a curated selection of brands exclusively sold in Amazon's store. Through this program, we engage in robust supplier due diligence, prioritizing mechanisms that drive continuous improvement. We are committed to working with our suppliers to remedy issues and establish systems to prevent future issues. We expect our suppliers to consistently monitor and enforce our standards in their own operations and supply chain as well as make improvements to meet or exceed our expectations. We use independent auditors to verify supplier compliance with our Supply Chain Standards through regular on-site inspections and confidential worker interviews.

Our approach is based on a commitment to workers and to continuous improvement; we put the safety and interests of workers first. Suppliers are required to meaningfully

participate in any investigation and take immediate action in the event that issues are found. An acceptable corrective action plan details the root cause of the issue and the steps, both short-term and long-term, supplier management will take to fix it. In most situations, we will support suppliers through the remediation process, but where a supplier refuses to remediate, we may choose to terminate the relationship. Failure to meet our standards has been a factor in our decision to terminate hundreds of suppliers.

Learn more about our process in our [Supplier Manual](#), which provides guidance and resources to suppliers of Amazon-branded products on how to meet and exceed the expectations outlined in our Supply Chain Standards.

Key stages of supplier assessment and issue remediation:

Supplier submits an Amazon approved audit of facility



If issues are identified, Amazon will issue a request for a Corrective Action Plan



Remediation of identified issues is tracked through follow-on verification audits



Once in production, supplier is audited on a regular, ongoing basis



If a supplier refuses to remediate an issue, Amazon may choose to terminate the relationship



About Our Assessment Results

We assess our suppliers of Amazon-branded products across four main categories: 1) Labor, 2) Health and Safety, 3) Environment, and 4) Ethics. These categories are divided into subcategories, such as non-discrimination, emergency preparedness, hazardous substances, and transparency. Findings within each subcategory are flagged as High, Medium, or Low depending on the level of severity.

Amazon focuses on setting a high bar for new suppliers and refusing to go to production until suppliers remediate High level findings identified in our assessments. We recognize that some issues may take time to effectively remediate. For Medium level issues, we expect suppliers to show they are making meaningful progress toward remediation within a defined timeline. For Low level issues, we monitor

suppliers for continuous improvement. We have dedicated teams based in key sourcing countries around the globe that work directly with our suppliers to identify solutions to challenging problems and promote open dialogue. We seek to create long-term relationships with suppliers who align with our values and are committed to constantly improving conditions for workers. Where we see trends in issues beyond individual suppliers, such as widespread health and safety deficits or industry-wide failures to responsibly protect migrant workers, we work to define regional or global strategies to address underlying systemic challenges.

[See our supplier assessment results on page 112.](#)

Responsible Sourcing Program Timeline

2011

Launched Amazon's Social Responsibility Program and Supplier Code of Conduct

2015

Joined the Responsible Business Association (formerly the Electronics Industry Citizenship Coalition)

2017

Joined Sedex

2018

Joined amfori

Signed the Responsible Sourcing Network Cotton Pledge for Turkmenistan and Uzbekistan

Became a steering committee member of Tech Against Trafficking



2019

Published Global Human Rights Principles

Published public supplier list and map for Amazon-branded products

Published Supply Chain Standards Manual



Announced Key Supply Chain Commitments

Began partnership with ILO SCORE

Began partnership with BSR HERproject

Launched forced labor training for Amazon employees

Began partnership with the Better Buying Initiative

Joined the Sustainable Apparel Coalition

Began partnership with Truckers Against Trafficking

2020

Began using the Higg Index to collect and evaluate suppliers' environmental practices

Invested \$1.3 million in organizations supporting COVID-19 response in our supply chain

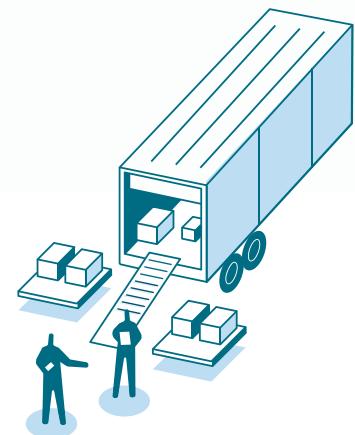
Began partnership with Swasti

Joined the Nest Steering Committee

Began partnership with the Amader Kotha Helpline in Bangladesh

Published first comprehensive People section of our Sustainability Report

Initiated Amazon's first human rights saliency assessment with Article One



Conducted Amazon's first Human Rights Impact Assessment

Joined the Public-Private Alliance for the Responsible Minerals Trade

2021

Joined the Better Cotton Initiative's (BCI) Retailer and Brand Advisory Panel on Traceability

Became a pilot sponsor of the Responsible Sourcing Network initiative, YES: Yarn Ethically & Sustainably Sourced

Joined the Centre for Child Rights and Business working group

Added our apparel suppliers to the Open Apparel Registry



Our Progress in 2020

In 2020, we restructured our program to respond to the social and economic crises our suppliers and their workers faced because of the COVID-19 pandemic.

Supporting Workers, Suppliers, and Communities During COVID-19

Amazon is committed to supporting our suppliers, their workers, and their communities as they are impacted by COVID-19. Of course, the global COVID-19 pandemic made 2020 a particularly challenging year, as suppliers faced massive supply chain disruption, workers were displaced, and communities experienced unimaginable loss. We immediately went to work to address these challenges.

We adapted our due diligence. In 2020, we had to change how we assessed suppliers. With COVID-19 restrictions, it was much harder to conduct on-site assessments. We continued to utilize traditional audits when it was safe to do so, but when on-site audits became challenging or impossible due to safety restrictions, we adopted new mechanisms to assess risk, including self-assessment questionnaires and remote document review.

We engaged suppliers. We developed guidance and trainings for suppliers on how to support and protect workers during the pandemic. We educated managers on workplace hygiene and proper use of personal protective equipment (PPE) to prevent the spread of COVID-19. We also encouraged suppliers to continue pay for workers during shutdowns, recognizing the extraordinary toll layoffs are taking on the workforce.

We invested in workers. In 2020, we created a \$1.3 million fund to invest in organizations providing critical frontline support to workers impacted by COVID-19. For example, we provided support to organizations like the International Organization for Migration (IOM) in Bangladesh to distribute medical supplies and COVID-19-related resources for frontline doctors, nurses, and medical workers operating in the largest refugee camp in the world. The contribution supported the procurement of lifesaving PPE—approximately 322,000 gloves, 16,000 gowns and coveralls, 18,300 N95 respirators, and 119,000 face shields—for 23 IOM-managed health facilities, serving to benefit both refugee and host community populations in the region.

We listened to workers. We increased our investment in Amader Kotha, meaning ‘Our Voice’ in Bengali, a helpline that provides workers in the Bangladesh ready-made garment sector a safe and effective way to report and resolve workplace issues. In 2020, we enrolled 23 Amazon suppliers in Amader Kotha’s program. For every worker call, the helpline follows a defined protocol to address the reported issue until it is resolved with their employer.

For example, in December 2020, Amader Kotha received a call from a worker employed with one of our Bangladesh suppliers. The worker reported verbal and physical abuse and retaliatory firing when they refused to complete overtime after regular work hours. Amader Kotha immediately connected with the supplier’s compliance team to investigate the issue. As a result, the supplier rehired the aggrieved worker and dismissed the two employees who had harassed them. In 2021, we will enroll additional Amazon suppliers with Amader Kotha and launch training for workers on how to make use of this resource.



CASE STUDY

Supporting Worker Health and Safety with Swasti

Health and safety issues have always been a key focus of our Responsible Sourcing Program, and COVID-19 demonstrated the importance of health and safety standards in protecting worker well-being.

At the onset of COVID-19, Amazon partnered with Swasti, a global nonprofit committed to ensuring access to quality healthcare for workers in marginalized communities. Swasti adjusted its worker well-being program to provide support to workers in factories impacted by COVID-19. With our support, Swasti set up a worker helpline, developed health protocols for workers to return to work safely, and provided critical mental health, healthcare, and social entitlement support to workers, their families and their communities. Swasti trained worker-led response teams on COVID-19

prevention and management; the teams educated other workers by showing videos on the factory floor and posting critical health information. Swasti also provided remote healthcare to workers and reached out to workers and their family members to identify COVID-19 risks and provide medical support. When Swasti identified a pandemic-related food shortage at a program site, it distributed food to employees who were in need.

Aside from COVID-19 specific work, Swasti also provides workers with primary healthcare and programs on gender equity, financial inclusion, and strengthening workers committees at sites to promote better communication channels between management and workers.

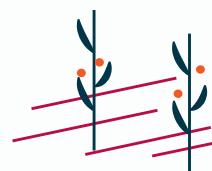
We engaged in responsible purchasing practices and learned about impact to workers. Since the beginning of the COVID-19 pandemic, Amazon has honored all orders to our global suppliers from our U.S. and European private-label apparel businesses. We also worked with Better Buying, an initiative working to improve purchasing practices in global supply chains, to conduct a survey of our suppliers in Vietnam and their workers on the impacts of our practices during COVID-19. We received more than 1,300 worker responses, indicating that their primary concerns were unstable personal finances related to business uncertainty during COVID-19, changes to forecasted orders, and factory safety concerns linked to shipment date pressures. Suppliers gave positive feedback on several aspects of our practices, including our increased communication during COVID-19, decisions to honor orders, and flexibility on delivery times.

Commodity Traceability

In 2020, we continued to map deeper tiers of our Amazon-branded product supply chains in order to identify the most salient and material risks. Commodity supply chains are complicated and fragmented, and improved visibility into raw material supply chains enables businesses to identify human rights and labor rights violations and hold suppliers accountable.

We focused on cotton. In 2020, we strengthened our efforts on cotton. Amazon has joined other brands as a member of Better Cotton Initiative's Retailer and Brand Advisory Panel on Traceability. In 2021, Amazon is sponsoring and participating in the RSN initiative YES: Yarn Ethically & Sustainably Sourced. YES works to address forced labor in the cotton value chain by providing training to, and managing the assessment of, spinners and fabric mills to identify and address forced labor in cotton production.

We focused on minerals. In 2020, we became a member of the Public-Private Alliance for the Responsible Minerals Trade (PPA), and expanded our participation in the Responsible Minerals Initiative (RMI). We committed to supporting the PPA's on-the-ground efforts to promote responsible trade, and became active members of RMI's working groups on Smelter Engagement and Cobalt due diligence.



CASE STUDY

Supporting Artisans During COVID-19

In 2020, Amazon partnered with Nest, a nonprofit supporting the growth and development of the global artisan sector to build a world of greater gender equity and economic inclusion. We supported Nest's PPE Purchasing Initiative—a program that purchased over 200,000 protective masks from artisan and maker businesses for delivery to front-line workers. In 2020, this program provided over \$500,000 in economic relief to 57 businesses, employing 10,510 skilled artisans.

We also partnered with Nest to provide more than 100 COVID-19 economic relief grants to artisan businesses around the globe. For example, Nest provided a grant to Indego Africa, an organization that provides artisans with a global market for their handmade products and educational opportunities for women-owned businesses in Africa. Sapna Shah, Indego Africa's Director of Brand and Operating Strategy, shared that because of this funding, Indego Africa was able to provide consistent purchase orders to the company's artisan partners for their handmade products, protecting them from economic disruption due to COVID-19.

As part of its grant program, Nest also supported a Digital Marketing Fellowship for Kay Kay's Fashion, a Black-owned, woman-owned hair accessories company in Southfield, Michigan. When applying to the program, business owner Kelechi Uchendu outlined her need as: "strengthen[ing] my brand DNA and also working on increasing my business to consumer sales." Nest matched Uchendu with an integrated marketer and brand strategist with 10 years of experience in e-commerce. Together, they developed a project plan, resulting in updated language for Uchendu's business website, a brand presentation she could use for marketing, and tools to help Kay Kay's Fashion deepen its online presence.

Nest distributed another Digital Marketing Fellowship grant to a woman-owned small business Espacio Handmade, an Austin, Texas, company specializing in leather goods sourced from and crafted in the U.S. Nest matched the

One of the major things that I learned was how to brand my company properly and how to clean up my website so that it really showcases my brand.

—Kelechi Uchendu, Owner of Kay Kay's Fashion

company's owner, Katrina Marhefka with a professional digital marketing agency that helped her launch a successful e-mail marketing campaign. Marhefka is a business leader and a maker who is proud to hire women. "Leatherworking is seen as such a male-dominated skill. Not anymore!" she says. Marhefka's participation in the fellowship helped her develop systems and identify business opportunities.

Amazon Handmade, a destination in our online store that specializes in handcrafted goods, has launched a program to highlight the work of Nest artisan businesses, including Indego Africa, Kay Kay's Fashion, and Espacio Handmade, providing access to selling and growth opportunities.



Supply Chain Commitments



We evaluate our supply chain to identify the industries, countries, and issues where we have the greatest opportunities to identify and address risks and have a positive impact on workers. In the event that we identify an issue in our supply chain, we act fast and prioritize solutions from the workers' point of view. We work with industry partners to tackle systemic issues and implement programs that support continuous improvement for our suppliers and workers. As a part of our due diligence efforts to identify, prevent, and mitigate adverse impacts, we leverage internal and external data and guidance from external stakeholders, including industry experts, civil society groups, and non-governmental organizations.

We are committed to assessing our impact and focusing our efforts in the following key commitment areas:

Safe Workplaces

Safe and healthy workplaces are a top priority for Amazon. We have global teams who partner with suppliers to increase worker awareness of safety issues, promote worker participation in their facility's safety culture, and promote initiatives focused on the well-being of workers on issues that matter most to them.

Our suppliers must provide workers with a safe and healthy work environment; suppliers must, at a minimum, comply with applicable laws regarding working conditions. Additionally, we are committed to driving improvement in these key priority areas: (1) occupational safety, including adequate machine safeguarding, and ensuring suppliers continually identify, evaluate, and control physically demanding tasks to ensure that worker health and safety is not jeopardized; (2) emergency preparedness and response

planning; and (3) sanitation and housing; if suppliers provide residential facilities for their workers, they must provide clean and safe accommodations.

We conduct on-site assessments of Amazon-branded suppliers to determine safety conditions throughout our business relationship. This includes assessments of protections such as adequate fire safety systems, sanitary dormitories and facilities, and adequate machine safeguarding. We require that these suppliers address material safety issues prior to beginning production with Amazon. Assessment results are reviewed regularly by the leadership of our Amazon-branded businesses, and corrective action plans are implemented with suppliers as needed.

In 2020, we expanded our work with the ILO's Sustaining Competitive and Responsible Enterprises (SCORE) program, a lean manufacturing program focused on improving productivity and working conditions in small- and medium-sized manufacturers. At the onset of the pandemic, SCORE



training helped factories plan their production schedule, reorganize production lines, and implement guidelines for more social distance and increased safety. We worked with suppliers in India and China to provide them training and assistance in implementing improvement plans across five areas: workplace cooperation, health and safety, quality management, clean production, and human resources. Through SCORE, we have provided training on workplace health and safety to 4,398 workers in our supply chain. To date, Amazon suppliers enrolled in SCORE training have completed 1,517 projects to improve workplace health and safety, drawing from the 1,219 improvement recommendations submitted by workers. So far, eight sites have achieved SCORE participation certificates from SCORE Academy, demonstrating they have integrated SCORE methodology into their policies and operations.

Freely Chosen Employment

We will not tolerate the use of forced labor in our supply chain. Our Supply Chain Standards prohibit all forms of forced labor and human trafficking; this includes charging workers recruitment fees, holding passports or personal documentation, and coercion to work through threats of deportation or contacting immigration authorities. During assessments of Amazon-branded suppliers, we track where workers migrated from and how much they paid in recruitment fees. If fees have been paid, we require the supplier to reimburse workers in full. Forced labor is a hidden crime that is hard to combat. We recognize real progress in this space will only be achieved through collaborative action—by companies, governments, and civil society—to spur system-wide change. Learn more about our approach to forced labor in our annual Modern Slavery Statement. Amazon is currently working with these organizations to devise holistic approaches to combating forced labor.

Polaris: Amazon supports Polaris, a non-profit that assists trafficking victims and survivors. Through the U.S. National Human Trafficking Hotline, Polaris has identified and responded to more than 63,000 cases of human trafficking and labor exploitation since 2007. AWS works with Polaris to infuse cutting-edge technology into its infrastructure to accelerate the development of the largest known U.S. data set on trafficking. Polaris uses that data to understand and improve the way trafficking is identified, how victims and survivors are assisted, and how to prevent this abuse.

Responsible Labor Initiative: The Responsible Labor Initiative is a multi-industry, multi-stakeholder initiative focused on ensuring that the rights of workers vulnerable to forced labor in global supply chains are consistently respected and promoted.

StolenYouth: Amazon partners with StolenYouth, a Seattle-based organization with the mission to end child sex trafficking in the state of Washington through prevention, connecting trafficked youth to resources and services, and empowering survivors along their path to recovery and a promising future. We support StolenYouth by providing both financial support and goods donations.

Tech Against Trafficking: Tech Against Trafficking (TAT) is a coalition of companies collaborating with global experts to help eradicate human trafficking using technology. Amazon sits on the TAT steering committee and has leveraged the expertise and resources of AWS to help scale tech solutions in the anti-trafficking field.

Truckers Against Trafficking: We are an official corporate sponsor of Truckers Against Trafficking (TAT), an organization dedicated to combating human trafficking in the trucking industry, and began incorporating TAT training modules into trainings for our internal fleet of drivers to teach them how to identify and respond to potential victims of human trafficking. As of January 2021, we have trained 100% of Amazon employees who drive trucks.

Thorn: Thorn, an organization that builds technology to defend children from sexual abuse, leverages AWS machine learning tools in their product Spotlight. Spotlight's sophisticated machine learning capabilities save time for investigators by automatically flagging ads likely to represent at-risk children. Investigators can set customized alerts and search Spotlight's constantly growing database of ads to aid in their investigations. Spotlight has helped identify more than 17,000 child sex trafficking victims.

Unseen: We support the UK modern slavery helpline Unseen, investing in their efforts to provide immediate and long-term assistance to potential victims of modern slavery and to ensure the helpline's continued growth. The helpline provides direct response and services to potential victims of modern slavery, as well as trainings and programming to support victims.



Gender Equity

Gender equity is a fundamental human right and a necessary foundation to a truly sustainable supply chain. Quality jobs for women translate to positive impacts for communities, and we are actively working to empower women to make their own decisions on health, finances, and career development. Amazon partners with BSR's HERproject, an initiative that brings together global brands, their suppliers, and local partners to create and implement workplace-based interventions on health, financial inclusion, and gender equality. Through our partnership with HERproject, we engage suppliers in China, Bangladesh, Vietnam, and India. As of 2021, we have reached nearly 12,000 women with HERproject programming, including training on health and financial skills, and building the capacity of workers and factory management to combat gender-based discrimination in the workplace.

Fair Wages

We are committed to working closely with suppliers, business partners, and multi-stakeholder associations to monitor and promote continuous improvement in working conditions, including fair and on-time payment of wages. We have dedicated teams across the globe that work directly with suppliers to track and report performance against these standards.

Our suppliers are required to pay legally required compensation (including overtime and benefits) and we encourage them to continuously evaluate whether their workers earn enough to meet their basic needs and the needs of their families.

We require Amazon-branded suppliers in a number of regions to enroll in Better Work—a partnership between the International Labor Organization and the International Finance Corporation, a member of the World Bank Group, focused on improving working conditions, respect for labor rights, and making the global garment sector more competitive. By working with factories and training workers on their rights, Better Work supports greater compliance with national labor laws and international labor standards.

We are launching in-depth research into fair wages within our Amazon-branded products supply chains, with a 2021 goal of identifying opportunities for future programming.



Environmental Protection

Our aim is to ensure that the manufacturing of our products does not cause unnecessary environmental harm. We are a member of the Sustainable Apparel Coalition (Coalition), an industry-wide group of leading apparel and footwear brands, retailers, manufacturers, non-governmental organizations, academic experts, and government organizations working to reduce the environmental and social impacts of apparel products around the world. We encourage our Amazon-branded suppliers to evaluate their practices using the Coalition's Higg Index, a tool to help manufacturers measure the social and environmental performance of their facilities. We are committed to driving adoption of this assessment and helping our suppliers understand their environmental impacts. In 2021, Amazon established a goal to collect environmental performance data from 200 suppliers by the end of the year.

Community

At Amazon, we are focused on leveraging our scale and assets for good to strengthen communities where our employees and customers live and work. We work side by side with community partners to find solutions to some of the world's most pressing challenges and build long-term, innovative programs that have a lasting, positive impact.





Housing Equity

Amazon believes that all people should have access to housing they can afford. In January 2021, Amazon launched the [Housing Equity Fund](#), a commitment of more than \$2 billion to preserve and create more than 20,000 affordable homes in three communities where we have a high concentration of employees: Washington's Puget Sound region; Washington, D.C., and Arlington, Virginia, metropolitan areas; and Nashville, Tennessee. The Housing Equity Fund helps create inclusive housing developments and preserve existing housing through below-market loans and grants to non-traditional and traditional housing partners, public agencies, and minority-led organizations. Our first commitment included more than \$380 million in below-market loans and grants to the Washington Housing Conservancy to preserve and create up to 1,300 affordable homes in Arlington, Virginia. Amazon has also committed more than \$185 million in below-market loans and grants to King County Housing Authority to preserve up to 1,000 affordable homes in the Puget Sound area.

Amazon made additional donations in support of affordable housing in 2020. We donated [\\$3 million](#) to four legal service providers to help support families in need of pro-bono legal housing support in the Washington, D.C., and Arlington, Virginia, metropolitan areas. We also helped preserve home ownership for hundreds of residents in Nashville, Tennessee, with a [\\$2.25 million donation](#) to The Housing Fund. With this donation, The Housing Fund will make financial grants available to help ensure that families can keep their homes and maintain critical, long-term financial stability.

Amazon has also committed more than \$130 million to our nonprofit partners who are working to fight homelessness. In 2020, we opened the doors to a

Amazon's donation will help us keep more families in their homes, which is always our ultimate goal, because home ownership is the key to long-term wealth building. For these families, these grants will be game-changing.

— Marshall Crawford, CEO, The Housing Fund

permanent [eight-floor shelter](#) inside an Amazon office building at our Puget Sound headquarters in partnership with Mary's Place, a Seattle-based provider serving families experiencing homelessness. The shelter is the largest family shelter in the state of Washington, with space for 200 guests each night. The facility features an on-site health clinic, an industrial kitchen with the capacity to produce approximately 600,000 meals annually, recreation areas for children of all ages to play, and dedicated space for in-person and virtual pro bono legal support, resume reviews, and online learning.

Access to Food and Basic Needs

Amazon believes that no family should go without a way to address their basic needs. In 2020, Amazon made in-kind and cash donations equivalent to more than 20 million meals and 13 million essential items to nonprofits, food banks, and strategic partners. We also committed a total of \$6.2 million through our [Right Now Needs Fund](#), a flexible fund designed to meet the basic needs of schoolchildren and help eliminate barriers to learning. These funds have already provided support to more than 28,000 students with food, shelter, clothing, school supplies, and hygiene items in the states of Washington and Virginia.

28K

Students receiving support through Amazon's Right Now Needs Fund



Amazon Operations Teams Deliver Basic Needs

In 2020, more than 26,000 Amazon operations employees and delivery partners identified needs in communities where they live and work, and Amazon donated \$7.9 million to meet these community needs, benefiting 260 nonprofit organizations and 1.6 million community members globally in Central Eastern Europe, Italy, France, and the UK. Employees of our operations centers and delivery stations also delivered meals and essential supplies; hosted food, clothing, and school-supply drives; and organized more than 1,000 events to support local community needs.

COVID-19 Community Response

Since the start of the COVID-19 pandemic, Amazon has helped customers, provided community relief, and invested in cutting-edge research. We invested tens of millions of dollars into these efforts and distributed critical supplies to communities across the world, including 4.5 million masks, 273,000 gallons of hand sanitizer, 140,000 medical gowns, 124,000 face shields, 40,000 hygiene kits, and thousands of contactless thermometers. To support food banks and community organizations, we donated delivery services of groceries and pre-packaged meals using our network of Amazon Flex Delivery and Delivery Service Partners. We delivered more than 12 million meals to seniors, underserved families, and school children in communities across the U.S., the UK, Australia, Singapore, and Spain. Amazon also delivered thousands of laptops and wireless devices on behalf of school districts to low-income students in order to support distance learning.

Expanding Access for Vaccines

Amazon is leveraging our scale to get vaccines to people in need. We lent our support to the Biden administration in its effort to vaccinate 100 million people in the first 100 days of Biden's presidency, vaccinating thousands of people through pop-up clinics at Amazon facilities in Washington, Virginia, and Florida. We also developed a [Pop-Up Vaccine Clinic Playbook](#) to help other companies and organizations execute similar vaccination clinics.

Neighborhood Small Business Relief Fund

In 2020, Amazon launched the [Neighborhood Small Business Relief Fund](#) to provide cash grants and free rent to Seattle small businesses that needed assistance. Through this fund, Amazon disbursed \$11 million in relief to more than 900 small businesses, supporting local jobs and helping small businesses confront the economic challenges of the COVID-19 pandemic.



100 million

Lent support to vaccinate 100 million people in the first 100 days of Biden's presidency

AWS Initiatives and Response to COVID-19

AWS is providing highly scalable and reliable infrastructure capacity, technical support, and services to help customers with their research, remote work and learning, and other solutions to address their needs and the effects that the COVID-19 pandemic is having on communities and businesses.

AWS Diagnostic Development Initiative

In 2020, we launched the [AWS Diagnostic Development Initiative](#) to accelerate COVID-19 research. The initiative supports AWS customers working on diagnostic solutions and improving collaboration across organizations solving similar problems. As part of this, Amazon committed an initial investment of \$20 million to accelerate diagnostic research, innovation, and development to speed our collective understanding and detection of COVID-19.

COVID-19 “Infodemic” Knowledge Platform

A new project led by Imperial College London and enabled by AWS is responding to the COVID-19 “infodemic” with

the creation of a [global knowledge platform](#). The platform, known as Realtime Data Analysis and Synthesis (REDASA), pools global data on COVID-19 from over half a million sources and combines human curation with AWS machine learning services to perform deep data analysis. This helps the healthcare community find important insights in real time, make sense of the vast amounts of information pouring in, and develop plans to accelerate research and development.

Helping Migrants Stay Safe During the Pandemic

AWS is supplying the International Organization for Migration (IOM) with advanced cloud technologies and technical expertise to accelerate its efforts to help migrants around the world stay safe during the COVID-19 crisis. We are developing a machine learning tool to help the IOM collect and analyze high volumes of COVID-19-related content from around the globe and to provide up-to-date information on border and travel restrictions. We are also helping the IOM proactively respond to the increasing volume of requests from migrants for information and help, enhancing a new website by integrating it with a multi-lingual cloud call center and chatbot.

Meeting Community Needs by Paying Utility Bills During COVID-19

The AWS InCommunities team develops innovative, long-term initiatives to foster lasting impact around the world, specifically in communities where we build and operate our global infrastructure. In 2020, AWS InCommunities leveraged its global reach to better serve local communities tackling the spread of COVID-19, including in Umatilla, Oregon, where we worked to make sure residents had access to basic needs. We collaborated with the Umatilla Electric Cooperative (UEC) and Hermiston Energy Services (HES) to support electricity relief for local residents who had applied to a payment assistance program. We



donated over half a million dollars to the communities that UEC and HES serve and helped pay utility bills for more than 1,000 families. “The effectiveness and reach of the payment assistance program will be amplified by our collaboration with AWS,” said Lisa McMeen, UEC’s VP of Administration. “With such uncertainty and hardship caused by the pandemic, it is great to work with trusted partners like AWS to keep our community operating at this time.” We also worked with our partners in the region to provide meals, distance learning kits, laptops, and Wi-Fi connectivity for school children and senior citizens.



Disaster Relief

Amazon's disaster relief and response teams leverage our vast operational excellence, cloud computing technologies, and worldwide logistics network to provide fast and effective support to worldwide operations addressing large-scale natural disasters. These strengths enable us to ship Amazon-donated items and items donated by partners to communities as soon as possible after hurricanes, tsunamis, wildfires, and earthquakes.

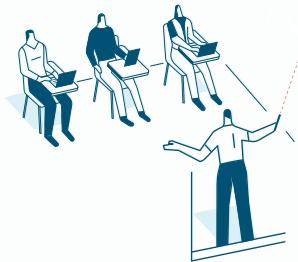
Over the years, Amazon has enabled customers to easily donate products and cash through our online store, and helped governments and nonprofits expedite response efforts at scale through our AWS cloud services. We recognize the immense need to support communities during and after natural disasters. We work with organizations based on need and where we believe we can have the greatest impact, with the goal of strengthening communities. In 2020, we supported the response to 16 natural disasters in 12 countries and partnered with 53 nonprofit service providers to enable critical support for front-line responders and survivors. Together with Amazon customers, we donated more than \$22 million in products and cash to support people impacted by natural disasters around the world and first responders fighting those disasters. Donations included more than 12 million relief items, such as masks, bottled water, hygiene products, baby supplies, food, and other essential items.

Amazon's... willingness to donate and pre-position personal protective equipment and relief supplies means that our team will have the resources it needs to respond and support families and communities when they need it most.

— Erica Tavares, Vice President, Institutional Partnerships & Philanthropy for International Medical Corps



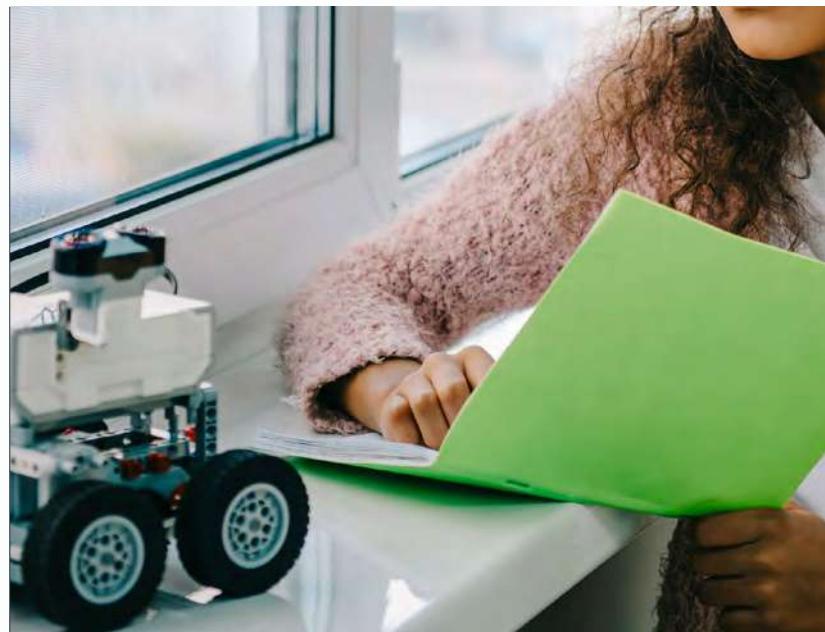
Computer Science Education



At Amazon, we believe in the power of computer science to unleash creativity and unlock human potential. We also know that while talent and passion are spread across all young people, opportunity is not. We are dedicated to inspiring future builders, especially those from underrepresented and underserved communities. As part of our community focus, we work to increase access to high-quality computer science education.

Amazon Future Engineer

[Amazon Future Engineer](#) is Amazon's signature computer science education program designed to inspire and educate millions of students from underserved communities across the globe, including hundreds of thousands of students in the U.S. each year. Students explore computer science through school curriculum and project-based learning using code to make music, program robots, and solve problems. Amazon Future Engineer also awards 100 students each year with four-year, \$40,000 scholarships and paid internships at Amazon, and celebrates teachers with professional development and \$25,000 Teacher of the Year Awards. Amazon Future Engineer is part of Amazon's \$50 million commitment to STEM and computer science education. In 2020, Amazon Future Engineer reached more than 5,000 schools and 600,000 students in the U.S. We also launched Amazon Future Engineer programming in the UK, France, and Canada, reaching an additional 297,000 students with virtual online learning.



AWS Educate

[AWS Educate](#) provides students and educators with online, self-paced cloud learning resources at no cost. Learners can complete any of our 12 cloud career pathways, explore hundreds of hours of content, and earn credentials. AWS Educate is used in more than 200 countries and territories, and the program engages more than 3,500 institutions, 10,000 educators, and hundreds of thousands of students globally.

AWS Academy

AWS Academy provides higher education institutions with a free, ready-to-teach cloud computing curriculum that prepares students to pursue industry-recognized certifications and in-demand cloud jobs. With free training and support from AWS, educators earn AWS Certification and teach the learning materials directly to students. To date, 1,500 AWS Academy Accredited Educators have delivered AWS Academy courses to more than 86,000 students worldwide.

AWS Think Big Experience

The AWS Think Big Experience encourages students to innovate and Think Big to solve real-world problems. To bring this to life, we have built physical Think Big Spaces and content for students around the globe. In 2020, the AWS Think Big Experience continued to provide access to science, technology, engineering, arts, and math (STEAM) education around the world when students had to move to virtual learning due to the pandemic.

For example, in Mumbai, India, more than 1,600 students participated in the Think Big program to continue STEAM

learning with smartphones and traditional telephones we provided. Students completed 59 STEAM projects, competing in and winning online science competitions. We helped participating students learn virtually, providing data packages for more than 300 students' phones and donating 430 tablets to students who had no access to devices. The region's mobile Think Big Space on wheels regularly visits communities in order for small groups of students to continue their experiments safely.

In the U.S., AWS Think Big Spaces in Ohio and Virginia provided online sessions with interactive distance-learning projects in technology, coding, artificial intelligence, and machine learning to provide opportunities and resources for students interested in technology. Think Big Spaces also supported local teachers and staff participating with their classes, girls' tech groups, and clubs.

AWS Girls' Tech Day

Girls' Tech Day is a workshop emphasizing STEAM for school-age girls and young women—designed to inspire future builders, showcase tech careers and women in the technology workforce, and introduce girls in underserved areas to STEAM. In 2020, AWS Girls' Tech Day went virtual, and 10,000 girls and young women interested in technology registered for programs in machine learning, artificial intelligence, coding, virtual reality, and robotics.

AWS Cloud Computing Training

In December 2020, Amazon announced [a pledge](#) to help 29 million people around the world grow their tech skills with free cloud computing skills training by 2025. To get to 29 million, we are expanding existing AWS-designed programs and piloting new ones to meet emerging training needs. These programs emphasize cloud computing training as the need for people with the right skills to take on cloud computing and other technical roles continues to grow. That need has become more apparent over the last year as schools, businesses, and governments have relied on the cloud to keep their organizations running.





Whole Foods Market

Whole Foods Market was founded with a purpose: to nourish people and the planet. Whole Foods Market community giving programs provide a wide range of resources to help address existing and emerging needs in our neighborhoods and industry. We work with individuals and organizations that share our values, and proudly support hundreds of partnerships and initiatives each year.

Whole Foods Market Foundations

Whole Foods Market has established three foundations to support strategic programs that make an impact across the globe. [Whole Planet Foundation](#) is committed to alleviating global poverty for people living in communities in the U.S. and around the world that supply our stores with products. [Whole Kids Foundation](#) supports schools and inspires families to improve children's nutrition and wellness. [Whole Cities Foundation](#) expands healthy food access and nutrition education by partnering with community-led organizations to build thriving local food systems. Through these three foundations, Whole Foods Market has committed more than \$50 million to local and global communities since 2005.

Sourced for Good

Whole Foods Market is committed to strengthening the communities where products are sourced. Our [Sourced for Good](#) program supports workers, communities, and the environment by enabling tangible improvements in farmworkers' lives through improved wages, access to healthcare, student scholarships, and more. Through the Sourced for Good program, Whole Foods Market has generated \$40 million in development funds for farmworkers and their communities from the sale of fair-trade-certified produce and floral products, benefiting more than 67,000 workers and small producers in 12 countries around the world.



Local Producer Loan Program

Whole Foods Market provides loans to small, local, independent producers to help them expand their businesses through the [Local Producer Loan Program](#). Loan recipients have included organic vegetable farmers, a heritage turkey grower, a nutritional protein bar maker, a maker of body care products, and many others. The Local Producer Loan Program has provided more than 350 loans, representing \$25 million in capital, to our suppliers in support of the development of specific products that we want to carry in our Whole Foods Market stores.





Governance & Reporting



How We Prioritize Our Work

At Amazon, we take a science-based, customer-centric approach to sustainability. We use a structured life-cycle assessment model to measure and map climate-related risks across our value chain. We also conduct regular materiality assessments to understand the most significant environmental, social, and governance topics across our business over the short, medium, and long term. We monitor risks and prioritize opportunities by taking into account customer and stakeholder expectations, voluntary practices and regulations, industry best practices, trends in financial and sustainability reporting, and emerging topics in news and social media.

Some of our current highest priority sustainability issues are:

- Climate change, energy efficiency, renewable energy, and sustainable transportation
- Responsible employment and supply chain practices, including human rights and the safety and well-being of workers in our supply chain
- Fair and inclusive workplaces, including talent and development
- Waste, recycling, and the circular economy
- Response to the COVID-19 pandemic and support for our customers, employees, and communities

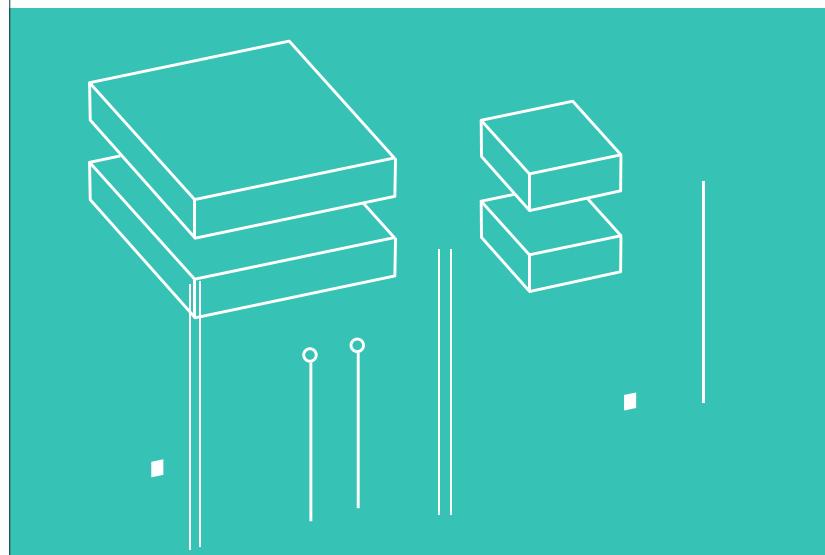
Our sustainability efforts reflect Amazon's positions on certain issues, including:

- Human-induced climate change is real, serious, and action is needed from the public and private sectors

- The federal minimum wage in the U.S. is too low and should be raised
- Diversity, equity, and inclusion are good for business—and more fundamentally—simply right
- The inequitable treatment of Black people is unacceptable
- The rights of LGBTQ+ people must be protected
- All people should have access to housing they can afford

While our positions are carefully considered and deeply held, there is much room for healthy debate and differing opinions. We hope being clear about our positions is helpful.

➤ [LEARN MORE ABOUT ALL OF OUR POSITIONS ON OUR WEBSITE](#)

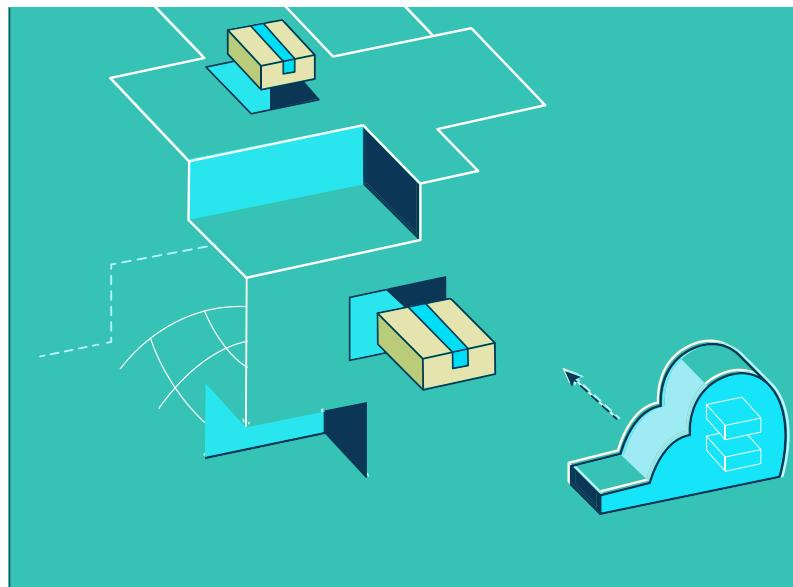


Corporate Governance

Amazon's Board of Directors oversee executives' management of Amazon's relevant risks and regularly reviews reports from management on various aspects of our business, including related risks and tactics and strategies for addressing them. While the full Board has overall responsibility for risk oversight, the Board has delegated responsibility related to certain risks to the Nominating and Corporate Governance Committee, the Leadership Development and Compensation Committee, and the Audit Committee.

Risk Oversight

The Nominating and Corporate Governance Committee is responsible for overseeing management of risks related to our environmental, sustainability, and corporate social responsibility practices, including risks related to our operations and our supply chain. The Leadership Development and Compensation Committee is responsible for overseeing management of risks related to succession planning and compensation for our executive officers and our overall compensation program, including our equity-based compensation plans, as well as risks related to other human capital management matters, including workplace safety, culture, diversity, discrimination, and harassment. The Audit Committee is responsible for overseeing management of risks related to our financial statements and financial reporting process, data privacy and security, business continuity, and operational risks, the qualifications, independence, and performance of our independent auditors, the performance of our internal audit function, legal and regulatory matters, and our compliance policies and procedures.



Nominating and Corporate Governance Committee

During the past year, the Nominating and Corporate Governance Committee met with management and reviewed matters that included the Board's composition, diversity, and skills in the context of identifying and evaluating new director candidates to join the Board, the Board's recruitment and self-evaluation processes, consideration of Amazon's policies and initiatives regarding the environment and sustainability, corporate social responsibility, and corporate governance, and feedback from Amazon's shareholder engagement on the foregoing matters.

Leadership Development and Compensation Committee

During the past year, the Leadership Development and Compensation Committee met with management and reviewed matters that included the design, amounts, and effectiveness of Amazon's compensation of senior executives, management succession planning, our benefit and compensation programs, our human resources programs, including review of certain workplace discrimination and harassment reports, worker safety and workplace conditions, and feedback from shareholder engagement. Workplace safety and our response to the COVID-19 pandemic have been significant topics of discussion and oversight at those meetings since the onset of the pandemic. In addition, the Committee, as well as the full Board, reviewed Amazon's response to the COVID-19 pandemic and our actions to address and mitigate the pandemic's impact on employees in regularly scheduled calls throughout 2020, reflecting the fact that the COVID-19 pandemic was significant to so many aspects of our operations that the updates should be provided to the entire Board.

Audit Committee

During the past year, the Audit Committee met with management and reviewed matters that included Amazon's risk assessment and compliance functions, data privacy and security, public policy expenditures, treasury and investment matters, accounting industry issues, the reappointment of our independent auditor, and pending litigation. The Audit Committee annually reviews Amazon's U.S. Political Engagement Policy and Statement and a report on our public policy expenditures. The Audit Committee also met with the auditors to review the scope and results of the auditor's annual audit and quarterly reviews of Amazon's financial statements.

Shareholder Engagement

We believe that effective corporate governance includes year-round engagement with our shareholders and other stakeholders. We meet regularly with our shareholders, including both large and small investors, to discuss business strategy, performance, compensation philosophy,

corporate governance, and environmental and social topics. In a typical year, we will engage with dozens of shareholders, including our largest shareholders, two to three times per year. This outreach is complementary to the hundreds of touchpoints our Investor Relations team has with shareholders each year. We find it beneficial to have ongoing dialogue with our shareholders throughout the year on a full range of investor priorities (instead of engaging with shareholders only prior to our annual meeting on issues to be voted on in the proxy statement). Depending on the circumstance, our lead director or another independent director may engage in these conversations with shareholders as well.

In 2020, as part of our corporate governance engagement, we met with corporate governance representatives at shareholders owning over 35% of our stock (excluding the approximately 14% voted by our founder and Executive Chair) and responded to numerous letters from our investors. Our direct engagement with shareholders helps us better understand our shareholders' priorities, perspectives, and issues of concern, while giving us an opportunity to elaborate on our many initiatives and practices and to address the extent to which various aspects of these matters are (or are not) significant given the scope and nature of our operations and our existing practices. We take insights from this feedback into consideration and regularly share them with our Board as we review and evolve our practices and disclosures.

► [LEARN MORE ABOUT AMAZON'S CORPORATE GOVERNANCE ON OUR WEBSITE](#)



Public Policy Actions on Energy and Climate

Increasing the deployment of renewable energy resources, clean transportation options, and other low-carbon technologies is valuable for the planet, good for business, and important for our customers. As part of our sustainability efforts, Amazon advocates in support of public policy that advances access to and the expansion of clean energy, sustainable transportation, and other decarbonization solutions.

Since 2016, Amazon has taken the following actions in support of promoting clean energy and addressing climate change:

April 2021: Joined a statement from the We Mean Business Coalition calling for the U.S. to set an ambitious and attainable 2030 emissions reduction target.

March 2021: Publicly supported a low-carbon fuels standard proposed in the Washington State legislature.

January 2021: Signed a statement from the Renewable Energy Buyers Alliance to the incoming Biden Administration calling for a customer-centric transition to 100% clean energy as soon as feasible, increased access to renewable energy, and increased federal research and development funding for clean tech.

December 2020: Signed a statement from the We Are Still In coalition calling on the Biden Administration and other federal leaders to act on climate as a key strategy to support economic recovery.



December 2020: Signed a statement from the Center for Climate and Energy Solutions calling on the Biden Administration and new Congress to seek ambitious, durable climate solutions.

September 2020: Responded to the European Union's Renewable Energy Directive consultation and emphasized the importance of voluntary corporate renewable energy purchasing in achieving the goals of the European Green Deal.

July 2020: Joined Race to Zero, a global campaign to raise awareness of efforts to build momentum around the shift to a decarbonized economy ahead of the United Nations Climate Change Conference (COP26) and advocate for governments to strengthen their contributions to the Paris Agreement.



April 2020: Joined the European Alliance for a green recovery, which includes policymakers, businesses, and organizations working together to support a COVID-19 economic recovery that addresses the threat of climate change.

January 2020: Testified at the Virginia General Assembly in favor of legislation to expand the use of energy storage to further integrate renewable energy into the grid in Virginia.

December 2019: Publicly praised the European Union's intent to reach climate neutrality and pledged to work together with the new EU Commission on the Green Deal.

August 2019: Spoke at the National Conference of State Legislatures Energy Summit and implored state legislators to accelerate the deployment of renewable energy across the U.S.

June 2019: Supported legislation introduced in the United States Congress that would allow clean energy projects access to financing by forming master limited partnerships.

June 2019: Signed a letter to the European Commission outlining the importance of corporate renewable energy procurement and encouraging the National Energy and Climate Plans to remove barriers to renewable energy purchasing.

May 2019: Wrote to the Virginia State Corporation Commission encouraging that more renewable energy and clean energy technologies be included in a long-term plan by Virginia's largest electric utility.

February 2019: Spoke to the National Association of State Energy Officials about the importance of energy efficiency

and renewable energy for our business operations, encouraging states to help support the deployment of electric vehicles.

December 2018: Wrote to the Georgia Public Service Commission advocating for a strong renewable energy offering from the Georgia electric utility.

November 2018: Signed on to a joint declaration calling for changes to European energy policy that would allow for easier access to renewable energy. The declaration sought to reduce barriers that hinder renewable energy trading and tracking across borders between European Union member countries.

November 2018: Authored a letter to the European Commission in support of the removal of regulatory barriers to corporate sourcing of renewable energy.

September 2018: Spoke at the Midwest Governors Association conference and highlighted our interest in access to renewable energy and the importance of states reducing barriers to renewable energy access.

December 2017: Urged the European Union Commission to establish a goal of 35% renewable energy by 2030.

December 2017: Wrote to the California Public Utilities Commission in support of an electric vehicle charging program for the San Diego region.

October 2017: Provided support for the regulatory approval of a green energy program being created by the Florida electric utility that provides power to our facilities in the Jacksonville region.

October 2017: Authored a letter to the Ohio State Legislature in support of a bill that would reduce restrictions on the siting of wind energy projects in the state.

June 2017: Joined the We Are Still In coalition to express support for remaining in the Paris Climate Agreement.

February 2017: Offered support for a Virginia bill to create a new community solar law in the Commonwealth.

April 2016: Joined Apple, Google, and Microsoft in filing an amicus brief in support of the U.S. Environmental Protection Agency's Clean Power Plan.



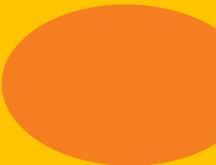
Partnerships

- › Advanced Energy Buyers Group
- › Advanced Energy Economy
- › Amader Kotha
- › American Council on Renewable Energy
- › amfori
- › Better Buying
- › Better Cotton Initiative
- › Brand Ethical Working Group
- › Bipartisan Policy Center
- › Business for Social Responsibility
- › BSR HERproject
- › Carbon Leadership Forum
- › Center for Climate and Energy Solutions
- › Ceres, Corporate Electric Vehicle Alliance
- › City Harvest UK
- › Closed Loop Fund
- › Corporate Eco Forum
- › Ellen MacArthur Foundation, Circular Economy 100
- › Energy Storage Association
- › Feeding America
- › Global Optimism
- › Good360
- › In Kind Direct
- › Innatura
- › International Labor Organization Sustaining Competitive and Responsible Enterprises
- › International Organization for Migration
- › International Safe Transit Association
- › Japan Climate Leaders' Partnership
- › Leather Working Group
- › Nest
- › Open Apparel Registry
- › Polaris
- › Public-Private Alliance for Responsible Minerals Trade
- › RE-Source Platform
- › Renewable Energy Buyers Alliance
- › Responsible Business Alliance
- › Responsible Labor Initiative
- › Responsible Minerals Initiative
- › Responsible Sourcing Network
- › Sedex
- › SolarPower Europe
- › StolenYouth
- › Supplier Ethical Data Exchange
- › Sustainable Apparel Coalition
- › Sustainable Packaging Coalition
- › Swasti
- › Tech Against Trafficking
- › Textile Exchange
- › The Centre for Child Rights and Business
- › The Nature Conservancy
- › The Recycling Partnership
- › Third Way
- › Thorn
- › Truckers Against Trafficking
- › Unseen
- › U.S. Council for International Business
- › U.S. Partnership for Renewable Energy Finance
- › Verité
- › We Mean Business
- › World Economic Forum, 1t.org
- › World Wildlife Fund India, Renewable Energy Demand Enhancement Initiative





Appendices



Carbon Footprint

	2018	2019	2020	Y0Y%
Carbon Intensity (grams of CO₂e per \$ of GMS)	128.9	122.8	102.7	-16%
Emissions Category (mmt CO₂e)	2018	2019	2020	Y0Y%
Emissions from Direct Operations (Scope 1)	4.98	5.76	9.62	+67%
Fossil fuels	4.70	5.57	9.37	+69%
Refrigerants	0.28	0.19	0.25	+32%
Emissions from Purchased Electricity (Scope 2)	4.71	5.50	5.27	-4%
Emissions from Indirect Sources (Scope 3)	34.71	39.91	45.75	+15%
Corporate purchases and Amazon-branded product emissions (e.g., operating expenses, business travel, and Amazon-branded product manufacturing, use phase, and end-of-life)	11.95	15.41	16.70	+8%
Capital Goods (e.g., building construction, servers and other hardware, equipment, vehicles)	4.64	8.01	10.52	+31%
Other indirect emissions (e.g., third-party transportation, packaging, upstream energy related)	13.89	12.44	15.77	+27%
Lifecycle emissions from customer trips to Amazon's physical stores	4.23	4.05	2.77	-32%
Amazon's Total Footprint	44.40	51.17	60.64	+19%

mmt = Million Metric Tons CO₂e = Carbon Dioxide Equivalent GMS = Gross Merchandise

Supplier Assessment Results

We share our supplier assessment data to demonstrate our commitment to transparency and contribute to industry-wide knowledge on complex and changing supply chain conditions. In 2020, we conducted 4,708 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. We utilize three types of assessments:

- **Pre-Production Assessments:** Suppliers must submit an Amazon-approved assessment of their facilities before beginning production of Amazon-branded products (44% of assessments conducted in 2020 were Pre-Production Assessments).
- **Ongoing Assessments:** Suppliers must submit Amazon-approved assessments on an ongoing basis while producing Amazon products (36% of assessments conducted in 2020 were Ongoing Assessments).
- **Verification Assessments:** Where issues are identified, suppliers must develop a corrective action plan detailing actions to address identified issues, a long-term plan to prevent reoccurrence, and where necessary, undergo a follow-up assessment to ensure issues are properly remediated (20% of assessments conducted in 2020 were Verification Assessments).

Our assessment data reflects findings for suppliers evaluated in 2019 and 2020 and includes assessments of suppliers we no longer work with or with which we never began a business relationship. Assessments may have found more than one issue listed. We accept assessments completed by qualified independent audit firms based on our own assessment standards and those of industry associations, including Sedex (SMETA), amfori (amfori BSCI), and the Responsible Business Alliance; certification standard Social Accountability International (SA8000); and the Better Work program.

Our assessment data helps us determine where to focus our efforts and resources, and provides insight into industry-wide challenges and systemic issues. For example, in 2020, we saw increased rates of findings in some categories primarily driven by pre-production audits (e.g., Freely Chosen Employment). We worked with suppliers to remediate these issues before going into production and did not see similarly high rates in verification audits. Increased findings with other issues (e.g., Industrial Hygiene) were driven by a need for supplier education where our standards exceed local law and industry practice. In other cases, the increased rate of findings in specific categories (e.g., Wages and Benefits) represents industry-wide challenges which require industry-level, long-term solutions. We recognize that we cannot address many of these systemic issues alone and we are committed to engaging in industry-level interventions in order to drive improvement in working conditions.



High and Medium Level Findings by Subcategory in 2019 and 2020 (% of all assessment findings)

Subcategory	2019	2020
Labor		
Freedom of Association	Less than 1%	Less than 1%
Freely Chosen Employment	3.20%	8%
Humane Treatment	Less than 1%	1.40%
Non-Discrimination	Less than 1%	1%
Subcontractor and Next-Tier Supplier Responsibility	Less than 1%	Less than 1%
Wages and Benefits	40.70%	47%
Worker Grievance / Complaint Mechanism	Less than 1%	Less than 1%
Working Hours	7.9%	5.70%
Young Workers	Less than 1%	Less than 1%
Ethical Behavior		
Business Integrity	2.30%	2.90%
Transparency	2.90%	1.70%
Environment		
Hazardous Substances	Less than 1%	Less than 1%
Pollution Management and Prevention	Less than 1%	3%
Health and Safety		
Emergency Preparedness and Response	10.50%	12.90%
Industrial Hygiene	9.50%	16.20%
Machine Safeguarding	Less than 1%	Less than 1%
Sanitation, Dormitory, and Canteen	2.30%	1.80%



United Nations Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a collection of 17 global goals the United Nations General Assembly (UN) set to provide a shared blueprint for peace and prosperity for people and the planet, now and into the future. At Amazon, there are multiple ways our sustainability work aligns with these global goals. The following shows how our programs correspond to the UN SDGs:



SUSTAINABLE OPERATIONS



CIRCULAR ECONOMY



PRODUCT SUSTAINABILITY



THE CLOUD



EMPLOYEES



PARTNERSHIPS



SUPPLY CHAIN



COMMUNITY



Sustainability Accounting Standards Board (SASB)

The Sustainability Accounting Standards Board is an independent standards board that is accountable for the due process, outcomes, and ratification of the SASB standards, which seek to identify financially material sustainability information. The table below lists topics classified as applicable to the [E-Commerce Industry](#).

Table 1. Sustainability Disclosure Topics and Accounting Metrics

Metric	Code	Disclosure
Hardware Infrastructure Energy and Water Management		
(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	CG-EC-130a.1	In 2020, Amazon consumed 24 million MWh of electricity and reached 65% renewable energy across our business. See Renewable Energy on pages 26-27.
Discussion of the integration of environmental considerations into strategic planning for data center needs	CG-EC-130a.3	AWS carefully chooses our data center locations to mitigate environmental risk, such as flooding, extreme weather, and seismic activity. See Sustainability in the Cloud on pages 37-43.
Data Privacy and Advertising Standards		
Description of policies and practices relating to behavioral advertising and user privacy	CG-EC-220a.2	Interest-based ads are sometimes referred to as personalized or targeted ads. We show interest-based ads to display features, products, and services. Amazon offers all customers the choice to not receive interest-based ads and customers may go to Amazon Advertising Preferences and choose to stop receiving interest-based ads from Amazon. See Interest-Based Ads . See Privacy Notice . See Cookies Notice .



Metric	Code	Disclosure
Data Security		
Description of approach to identifying and addressing data security risks	CG-EC-230a.1	<p>We design our systems with customer security and privacy in mind. We work to protect the security of personal information during transmission by using encryption protocols and software. We maintain physical, electronic, and procedural safeguards in connection with the collection, storage, and disclosure of personal customer information. Our security procedures mean that we may occasionally request proof of identity before we disclose personal information to customers. Our devices offer security features to protect them against unauthorized access and loss of data. Users can control these features and configure them based on their needs. We follow the Payment Card Industry Data Security Standard (PCI DSS) when handling credit card data. See Privacy Notice.</p> <p>In addition, AWS architects our network, services, and data centers to protect AWS customers' information, identities, applications, and devices. See AWS Cloud Security.</p>



Metric	Code	Disclosure
Employee Recruitment, Inclusion, and Performance		
Employee engagement as a percentage	CG-EC-330a.1	<p>Connections is a real-time, company-wide employee feedback mechanism designed to listen to and learn from employees at scale to improve the employee experience. Each day, Connections questions are delivered to every Amazon employee on a computer, workstation device, or hand scanner, generating more than 1.2 million responses from employees daily. Employees may choose to answer or not answer any question, and individual responses are aggregated and shared with managers at the team level to maintain confidentiality. Connections analyzes response data and provides insights to managers and leaders to review and take actions as they uncover issues or see opportunities to improve. Employees respond to Connections questions at more than 3,000 unique locations in 53 countries, and questions are delivered in 26 languages. As of December 31, 2020, Amazon employed approximately 1.3 million full-time and part-time workers across the globe.</p> <p>See Employee Engagement on pages 80-82.</p>
Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	CG-EC-330a.3	<p>As of December 31, 2020, among people managers globally, 29.3% identify as women and 70.7% identify as men. Among people managers in the U.S., 19.5% identify as Asian, 10.6% as Black, 9.5% as Latinx, 3.2% as Multiracial, 0.7% as Native American, and 56.4% as White.</p> <p>As of December 31, 2020, among senior leaders globally, 22.1% identify as women and 77.9% identify as men. Among senior leaders in the U.S., 20.0% identify as Asian, 3.8% as Black, 3.9% as Latinx, 1.4% as Multiracial, 0.2% as Native American, and 70.7% as White.</p> <p>As of December 31, 2020, among all employees globally, 44.6% identify as women and 55.4% identify as men. Among all employees in the U.S., 13.6% identify as Asian, 26.5% as Black, 22.8% as Latinx, 3.6% as Multiracial, 1.5% as Native American, and 32.1% as White.</p> <p>See our Workforce Data on pages 77-79.</p>



Metric	Code	Disclosure
Product Packaging and Distribution		
Total greenhouse gas (GHG) footprint of product shipments	CG-EC-410a.1	<p>See our Carbon Footprint on pages 14-15, 111.</p>
Discussion of strategies to reduce the environmental impact of product delivery	CG-EC-410a.2	<p>Shipment Zero is our goal to deliver 50% of Amazon shipments with net-zero carbon by 2030 through sustainable process improvements, recycled materials, investments in electrification, renewable energy initiatives, and more. See Shipment Zero on pages 24-25.</p> <p>In 2019, Amazon ordered 100,000 electric delivery vehicles from Rivian, a U.S. electric vehicle manufacturer. We rolled out the first of these vehicles in Los Angeles in February 2021 and will expand to neighborhoods in up to 15 additional U.S. cities by the end of the year. We also expanded our European electric delivery fleet with an order for 1,800 electric vans from Mercedes-Benz, a signatory of The Climate Pledge. In India, we are adding 10,000 electric vehicles to our existing fleet by 2025, including two-wheeler, three-wheeler, and four-wheeler vehicles designed and manufactured by local manufacturers. In addition to our investments in vehicle electrification, we are maximizing efficiency on current vehicles, optimizing our delivery logistics, and using alternative delivery methods. See Transportation on pages 32-34.</p> <p>As of June 2021, we have reduced the weight of outbound packaging by over 36% and eliminated more than 1 million tons of packaging material since 2015—the equivalent of 2 billion shipping boxes. In 2019, we launched a fully recyclable paper padded mailer that protects products during shipping while taking up less space in transit. We are also increasing our use of flexible paper-based mailers across Europe, allowing us to significantly reduce the use of plastic in packaging materials by the end of 2021. See Packaging on pages 45-46.</p> <p>We are making these significant investments to drive our carbon footprint to zero despite the fact that shopping online is already inherently more carbon efficient than going to the store. Amazon's sustainability scientists have found that, averaged across all basket sizes, online grocery deliveries generate 43% lower carbon emissions per item compared to shopping in stores. Smaller basket sizes generate even greater carbon savings. See 2019 Letter to Shareholders.</p>



Table 2. Activity Metrics

Metric	Code	Disclosure
Activity Metrics		
Entity-defined measure of user activity	CG-EC-000.A	There are more than 200 million paid Prime members as of March 31, 2021. See Q1 2021 Earnings Release .
Number of shipments	CG-EC-000.C	In 2019, we delivered more than 10 billion items worldwide. See 2019 Letter to Shareholders .



Task Force on Climate-Related Financial Disclosures (TCFD)

At Amazon, we take a science-based, customer-centric approach to climate. We use a structured life cycle assessment model to measure and map environmental hotspots across our value chain. We have conducted a sustainability materiality assessment to identify the most significant environmental topics across our business. We categorize climate risks and opportunities by taking into account customer and stakeholder expectations, regulations, business risks, industry best practices, and emerging trends. Amazon embeds a variety of mechanisms in our business operations to address sustainability issues, including climate-related risks. We integrate sustainability practices into our everyday operations through goal-setting, metrics, and quarterly business reviews.

Governance

We have an established governance framework to help ensure that risks associated with climate change are considered at the most senior levels of our business.

- **Board Oversight:** The Nominating and Corporate Governance Committee of Amazon's Board of Directors oversees environmental, social, and corporate governance policies and initiatives, including our progress on The Climate Pledge, and risks related to our operations, supply chain, and customer engagement.
- **Management Oversight:** The Sustainability team works across Amazon to make operational changes that reduce or eliminate carbon in our business. Amazon developed a company-wide carbon accounting model that provides specific operational metrics to business teams on their emissions and allows them to track progress on decarbonization.

Assessment

We conduct regular materiality assessments and have developed a comprehensive carbon system of record to identify environmental hotspots across the business. We hold quarterly business reviews with Amazon leadership teams to track progress toward meeting The Climate Pledge—a commitment to be net-zero carbon across our business by 2040, 10 years ahead of the Paris Agreement.

We are developing data and tools to address climate risks for both our business and our customers. The foundation of this work is the Amazon Sustainability Data Initiative (ASDI), a global and authoritative source for open-sourced weather, climate, and sustainability data. This data, together with AWS analytical tools, is enabling cutting-edge scientific work and helping us raise the bar for customers. For example, by using the NOAA weather data available in ASDI, Amazon transportation teams have been able to better predict how weather-related events (snowstorms, floods, heatwaves, etc.) impact customer package deliveries, and we have provided customers with more accurate delivery estimates as a result. The AWS Infrastructure team also leverages weather data from ASDI to better assess the impact of weather on AWS data centers. We carefully choose our data center locations to mitigate environmental risk, such as flooding, extreme weather, and seismic activity. We are developing a robust tool for assessing and managing weather and climate-related risks for our assets, people, and operations. Our ultimate goal is to enable customers and suppliers to use the tools we are developing in-house to improve climate resilience.

Climate-Related Risks and Opportunities

Teams across Amazon are working to make operational changes that reduce or eliminate carbon in our business. We are committed to minimizing our carbon emissions by optimizing our transportation network and investing in electric vehicles; improving product packaging to drive efficiency in the distribution of products; implementing energy efficiency measures in our operations; using renewable energy to run our business; and supporting global reforestation. We have also joined numerous industry partnerships including Ceres, American Council on Renewable Energy, Advanced Energy Buyers Group, Carbon Leadership Forum, We Mean Business, and Renewable Energy Buyers Alliance to express support for action on climate change and to accelerate the transition to a low-carbon economy.



Climate-Related Risks:

We have identified the following climate-related risks based on [TCFD risk types and classifications](#). Physical risks are classified as either: 1) **Acute** (extreme weather events) or 2) **Chronic** (changing weather patterns and rising mean temperature and sea levels). Transition risks are classified as one or more of the following: 1) **Policy and Legal**; 2) **Technology**; 3) **Market**; and/or 4) **Reputation**.

Risk Type	Description	Classification
Physical	Increasing risk of flood or damages due to climate-related events could increase our physical and operational risks and the cost to insure our buildings. Repeated damage due to flooding could result in an inability to insure existing buildings.	Acute
Physical	Weather-related events such as hurricanes could cause asset damage to our buildings, prevent deliveries to customers, and negatively impact sales.	Acute
Physical	Extreme and prolonged weather events such as droughts could impact water availability for data center operations.	Acute
Physical	Weather-related events could impact our ability to access raw materials and deliver final products.	Acute
Physical	A warming climate could increase thermal stress and outdoor associate exposure to criteria air pollutants. These stresses could negatively impact the health of our employees, close sites, and delay customer deliveries.	Chronic
Physical	As temperatures increase and water availability decreases, we could experience rising costs for data center cooling.	Chronic
Transition	Increasing regulations and evolving public preference may require a faster transition to a low-carbon economy, which could increase operating costs and/or reduce demands for some products and services.	Policy and Legal; Market; Reputation



Climate-Related Opportunities:

We have identified the following climate-related opportunities based on [TCFD classifications](#). Opportunities are classified as one or more of the following: 1) **Resource Efficiency**; 2) **Energy Source**; 3) **Products and Services**; 4) **Markets**; and/or 5) **Resilience**.

Description	Classification
Renewable Energy (p. 26-27)	Energy Source; Resilience
Amazon is on a path to powering our operations with 100% renewable energy by 2025 and we reached 65% renewable energy across our business in 2020. As of June 2021, Amazon has 232 wind and solar renewable energy projects across the globe, including more than 90 solar rooftops on fulfillment centers and sort centers. In total, our renewable energy projects have a combined capacity to generate more than 10,000 MW and deliver 27 million MWh of energy annually.	
Transportation (p. 32-34)	Resource Efficiency; Energy Source
Amazon is optimizing and transforming our transportation network through technological innovations, efficiency enhancements, and alternative solutions that allow us to deliver packages to our customers more sustainably. In 2019, we ordered 100,000 electric delivery vehicles from Rivian, a U.S. electric vehicle manufacturer. We rolled out the first of these vehicles in Los Angeles in February 2021 and will expand to neighborhoods in up to 15 additional U.S. cities by the end of the year. We also expanded our European electric delivery fleet with an order for 1,800 electric vans from Mercedes-Benz, a signatory of The Climate Pledge. In India, we are adding 10,000 electric vehicles to our existing fleet by 2025, including two-wheeler, three-wheeler, and four-wheeler vehicles designed and manufactured by local manufacturers.	
Our Buildings (p. 28-31)	Resource Efficiency; Energy Source; Resilience
Amazon is working to reduce the carbon emissions associated with our buildings, from the carbon embodied in construction materials, to the operational emissions from powering our activities. In 2020, we launched an in-depth study of our operations facilities to examine the energy intensity of our buildings and identify ways to reduce carbon through energy efficiency enhancements, new technologies, and sustainable building materials. We have started applying these insights across building types and are incorporating best practices into future building development plans.	
Water Stewardship (p. 40-41)	Resource Efficiency
AWS has multiple initiatives underway to use water more efficiently and use less potable (drinking) water to cool our data centers. AWS develops our water-use strategy by evaluating climate patterns for each AWS Region, local water management and availability, and the opportunity to conserve drinking water sources. In Northern Virginia, AWS was the first data center operator to be approved to use recycled water with direct evaporative cooling technology.	



Climate-Related Opportunities:

Description	Classification
Packaging (p. 45-46) Amazon customers want right-sized, recyclable packaging that minimizes waste and ensures damage-free delivery. We work to reinvent and simplify our sustainable packaging options using a science-based approach that combines lab testing, machine learning, materials science, and manufacturing partnerships to scale sustainable change across the packaging supply chain. Since 2015, we have reduced the weight of outbound packaging by 36% and eliminated more than 1 million tons of packaging material, the equivalent of about 2 billion shipping boxes.	Resource Efficiency
Product Sustainability (p. 51-56) As part of our mission to be Earth's most customer-centric company, we are working to give our customers access to more sustainable products, from thousands of Amazon-branded products we develop and manufacture, to millions of retail and third-party items sold in Amazon's store. We are committed to helping customers find products that exceed the social and environmental benefits of comparable options when they shop in our stores, through programs such as Climate Pledge Friendly. We work with the suppliers of our branded products to drive sustainability improvements across the stages of material sourcing, design, manufacturing, and customer use.	Products and Services
Recycling (p. 47, 56) Amazon is committed to reducing our environmental footprint through recycling initiatives in our own operations and partnerships that support the development of recycling infrastructure across the industry. Amazon has on-site plastic film recycling at more than 168 fulfillment centers across our network. We also invested \$10 million in the Closed Loop Infrastructure Fund to finance recycling and circular economy infrastructure in North America. We also incorporate recycled plastics, fabrics, and metals into many new Amazon devices, giving new life to materials that could have otherwise ended up in waste streams.	Resource Efficiency
The Climate Pledge Fund (p. 19-20) The Climate Pledge Fund is a corporate venture capital fund that invests in companies that can accelerate Amazon's path to meeting The Climate Pledge. Amazon launched The Climate Pledge Fund in 2020 to support the development of sustainable and decarbonizing technologies and services. This dedicated investment program—with an initial \$2 billion in funding—invests in visionary companies whose products and solutions will facilitate the transition to a low-carbon economy.	Resource Efficiency; Energy Source; Products and Services



Climate-Related Opportunities:

Description	Classification
<p>Amazon Sustainability Data Initiative (p. 42-43)</p> <p>The Amazon Sustainability Data Initiative (ASDI) seeks to accelerate sustainability research and innovation by minimizing the cost and time required to acquire and analyze large sustainability datasets. ASDI works with scientific organizations like NOAA, NASA, the UK Met Office, and The Queensland Government to identify, host, and deploy key datasets on the AWS Cloud, including weather observations, weather forecasts, climate projection data, satellite imagery, hydrological data, air quality data, and ocean forecast data. In 2020, Amazon became a founding member of the LF Climate Finance Foundation, a new initiative with the goal of empowering investors, banks, insurers, companies, governments, NGOs, and academia with AI-enhanced open source analytics and open data to address climate risk and opportunity. Through this collaboration, we are leveraging the AWS Cloud to make climate-relevant data available to the public.</p>	Products and Services

Metrics and Targets

Amazon's carbon footprint, including Scope 1, Scope 2, and Scope 3 greenhouse gas emissions, is available on page 111.

Our team of researchers and scientists has combined cutting-edge life cycle assessment (LCA) science and AWS technology to develop a robust software solution that processes billions of operational and financial records from Amazon's operations across the world to calculate our carbon footprint. The software estimates carbon emissions for all activities within our system boundary using a dollar-based environmental assessment model, then enhances the accuracy of carbon-intensive activities with detailed, process-based LCA models. We have a comprehensive understanding of the carbon emissions across our business and have done extensive analysis to develop science-based targets, strategies, and metrics to reduce them.

Under The Climate Pledge, Amazon is on a path to:

- Reach net-zero carbon by 2040;
- Deliver 50% of shipments with net-zero carbon by 2030;
- Power our operations with 100% renewable energy by 2025.

Teams across Amazon are taking a broad, science-based approach to measuring, reducing, and eliminating carbon emissions in our operations. As part of our commitment to The Climate Pledge, we are proud to have joined the Science Based Targets Initiative (SBTi), reaffirming our commitment to reduce carbon emissions in line with our ongoing science-based approach to tackle climate change. SBTi is a collaboration between CDP, World Resources Institute (WRI), the World Wildlife Fund (WWF), and the United Nations Global Compact (UNGC); it is one of the We Mean Business Coalition commitments.



UN Guiding Principles (UNGPs) Reporting Framework

The UN Guiding Principles Reporting Framework provides comprehensive guidance for companies to report on human rights issues in line with their responsibility to respect human rights. This is an index of Amazon's public content related to each subsection of the UNGP Reporting Framework. It represents information as of June 2021.

Part A: Governance of Respect for Human Rights

Section	Indicator/Question	References and Links
Policy Commitment	A1 What does the company say publicly about its commitment to respect human rights?	<ul style="list-style-type: none"> • 2021 Proxy Statement • Code of Business Conduct and Ethics (IV. Discrimination and Harassment, V. Health and Safety, IX. Questions/Reporting Violations) • Global Human Rights Principles • Modern Slavery Statement (Introduction, Our Policies, Governance, Assessing Our Risk, Responsible Sourcing, Our Progress, Our Commitments and Progress, Modern Slavery in the Context of COVID-19) • Our Positions • Supplier Manual • Supply Chain Standards • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93)
Policy Commitment	A1.1 How has the public commitment been developed?	<ul style="list-style-type: none"> • Global Human Rights Principles • Modern Slavery Statement (Introduction, Our Policies, Governance) • Sustainability Report, People (Human Rights, p. 58-64)



Section	Indicator/Question	References and Links
Policy Commitment	A1.2 Whose human rights does the public commitment address?	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics • Global Human Rights Principles • Modern Slavery Statement (Introduction, Our Policies, Assessing Our Risk, Responsible Sourcing, Modern Slavery in the Context of COVID-19) • Supplier Manual (p. 1) • Supply Chain Standards (p. 1, 5) • Sustainability Report, People (Human Rights, p. 58-64; Employees, p. 65-82; Supply Chain, p. 83-93)
Policy Commitment	A1.3 How is the public commitment disseminated?	<ul style="list-style-type: none"> • 2021 Proxy Statement • Global Human Rights Principles • Modern Slavery Statement • Supplier Manual • Supply Chain Standards • Sustainability Report, People



Section	Indicator/Question	References and Links
Embedding Respect	A2 How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?	<ul style="list-style-type: none"> • 2021 Proxy Statement • Corporate Governance Documents and Charters (Leadership Development and Compensation Committee, Nominating and Corporate Governance Committee) • Modern Slavery Statement • Supplier Manual (p. 1-5, 11-12) • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93)
Embedding Respect	A2.1 How is day-to-day responsibility for human rights performance organized within the company, and why?	<ul style="list-style-type: none"> • Corporate Governance Documents and Charters (Leadership Development and Compensation Committee, Nominating and Corporate Governance Committee) • Modern Slavery Statement (Governance) • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93)
Embedding Respect	A2.2 What kinds of human rights issues are discussed by senior management and by the Board and why?	<ul style="list-style-type: none"> • 2021 Proxy Statement • Corporate Governance Documents and Charters (Leadership Development and Compensation Committee, Nominating and Corporate Governance Committee) • Modern Slavery Statement (Governance) • Sustainability Report, People (Human Rights, p. 58-64)



Section	Indicator/Question	References and Links
Embedding Respect	A2.3 How are employees and contract workers made aware of the ways in which respect for human rights should inform their decisions and actions?	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics • Global Human Rights Principles (Employee Communication, Our Suppliers, How We Do This) • Modern Slavery Statement (Introduction, Our Policies, Governance, Our Commitments and Progress) • Sustainability Report, People (Human Rights, p. 58-64; Employees, p. 65-82)
Embedding Respect	A2.4 How does the company make clear in its business relationships the importance it places on respect for human rights?	<ul style="list-style-type: none"> • Modern Slavery Statement (Our Policies, Responsible Sourcing, Our Progress, Engagement with Strategic Stakeholders) • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93) • Seller Central Policies • Supplier Manual (p. 1-5, 11-12) • Supply Chain Standards
Embedding Respect	A2.5 What lessons has the company learned during the reporting period about achieving respect for human rights, and what has changed as a result?	<ul style="list-style-type: none"> • Modern Slavery Statement (Assessing Our Risk, Responsible Sourcing, Our Progress, Our Commitments and Progress, Modern Slavery in the Context of COVID-19) • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93)



Part B: Defining the Focus of Reporting

Section	Indicator/Question	References and Links
Statement of Salient Issues	B1 Statement of salient human rights issues associated with the company's activities and business relationships during the reporting period.	<ul style="list-style-type: none"> • Amazon France Logistique Duty of Vigilance Plan (Assessment of Priority Areas) • Global Human Rights Principles (Our Workplace) • Modern Slavery Statement (Assessing Our Risk) • Sustainability Report, People (Human Rights, p. 58-64)
Explanation of Salient Issues	B2 Describe how the salient human rights issues were determined, including any input from stakeholders.	<ul style="list-style-type: none"> • Amazon France Logistique Duty of Vigilance Plan (Assessment of Priority Areas) • Modern Slavery Statement (Assessing Our Risk) • Partnerships • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93)
Geographical Focus	B3 If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.	<ul style="list-style-type: none"> • Modern Slavery Statement (Assessing Our Risk, Our Commitments and Progress) • Sustainability Report, People (Supply Chain, p. 83-93)
Additional Severe Impacts	B4 Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside the salient human rights issues, and explain how they have been addressed.	<ul style="list-style-type: none"> • Amazon France Logistique Duty of Vigilance Plan (Addressing Health Impacts of Novel Coronavirus (COVID-19)) • Modern Slavery Statement (Modern Slavery in the Context of COVID-19) • Our Positions • Sustainability Report, People (Employees, p. 65-82; Supply Chain, p. 83-93)



Part C: Management of Salient Human Rights Issues

Section	Indicator/Question	References and Links
Specific Policies	C1 Does the company have any specific policies that address its salient human rights issues, and if so, what are they?	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics • Global Human Rights Principles • Our Positions (The federal minimum wage in the U.S. is too low and should be raised; Diversity and inclusion are good for business—and more fundamentally—simply right; The inequitable treatment of Black people is unacceptable; The rights of LGBTQ+ people must be protected) • Supplier Manual (p. 4-5) • Supply Chain Standards (p. 1-4) • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93)
Specific Policies	C1.1 How does the company make clear the relevance and significance of such policies to those who need to implement them?	<ul style="list-style-type: none"> • Modern Slavery Statement (Code of Business Conduct and Ethics, Our Progress, Our Commitments and Progress) • Supplier Manual (in 11 languages) • Supply Chain Standards (in 12 languages) • Sustainability Report, People (Human Rights, p. 58-64; Employees, p. 65-82; Supply Chain, p. 83-93)



Section	Indicator/Question	References and Links
Stakeholder Engagement	C2 What is the company's approach to engagement with stakeholders in relation to each salient human rights issue?	<ul style="list-style-type: none"> • Global Human Rights Principles (Our Suppliers, Collaboration) • Modern Slavery Statement (Introduction, Our Policies, Assessing Our Risk, Responsible Sourcing, Our Progress, Engagement with Strategic Stakeholders, Our Commitments and Progress, Modern Slavery in the Context of COVID-19) • Partnerships • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93)
Stakeholder Engagement	C2.1 How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?	<ul style="list-style-type: none"> • Modern Slavery Statement (Introduction, Our Policies, Assessing Our Risk, Responsible Sourcing, Our Commitments and Progress, Modern Slavery in the Context of COVID-19) • Partnerships • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93)
Stakeholder Engagement	C2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?	<ul style="list-style-type: none"> • Modern Slavery Statement (Our Policies, Our Progress, Engagement with Strategic Stakeholders, Our Commitments and Progress, Modern Slavery in the Context of COVID-19) • Partnerships • Sustainability Report, People (Supply Chain, p. 83-93)



Section	Indicator/Question	References and Links
Stakeholder Engagement	C2.3 During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it?	<ul style="list-style-type: none"> • Modern Slavery Statement (Our Policies, Assessing Our Risk, Our Progress, Engagement with Strategic Stakeholders, Our Commitments and Progress, Modern Slavery in the Context of COVID-19) • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93)
Assessing Impacts	C3 How does the company identify any changes in the nature of each salient human rights issue over time?	<ul style="list-style-type: none"> • Modern Slavery Statement (Assessing Our Risk, Responsible Sourcing, Our Progress, Our Commitments and Progress, Modern Slavery in the Context of COVID-19) • Sustainability Report, People (Human Rights, p. 58-64; Supply Chain, p. 83-93)
Assessing Impacts	C3.1 During the reporting period, were there any notable trends or patterns in impacts related to a salient issue, and if so, what were they?	<ul style="list-style-type: none"> • Modern Slavery Statement (Responsible Sourcing, Case Study) • Sustainability Report, People (Employees, p. 65-82; Supply Chain, p. 83-93)
Assessing Impacts	C3.2 During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?	<ul style="list-style-type: none"> • Modern Slavery Statement (Responsible Sourcing) • Sustainability Report, People (Employees, p. 65-82; Supply Chain, p. 83-93)



Section	Indicator/Question	References and Links
Integrating Findings and Taking Action	C4 How does the company integrate its findings about each salient human rights issue into its decision-making process and actions?	<ul style="list-style-type: none"> • Modern Slavery Statement (Responsible Sourcing) • Corporate Governance Documents and Charters (Leadership Development and Compensation Committee, Nominating and Corporate Governance Committee) • Global Human Rights Principles • Supplier Manual (p. 2-8, 11) • Sustainability Report, People (Human Rights, p. 58-64; Employees, p. 65-82; Supply Chain, p. 83-93)
Integrating Findings and Taking Action	C4.1 How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions?	<ul style="list-style-type: none"> • Amazon France Logistique Duty of Vigilance Plan (Governance) • Modern Slavery Statement (Governance) • Sustainability Report, People (Human Rights, p. 58-64)
Integrating Findings and Taking Action	C4.2 When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?	<ul style="list-style-type: none"> • Modern Slavery Statement (Responsible Sourcing) • Corporate Governance Documents and Charters (Leadership Development and Compensation Committee, Nominating and Corporate Governance Committee) • Global Human Rights Principles • Supplier Manual (p. 2, 6, 8, 11) • Sustainability Report, People (Supply Chain, p. 83-93)



Section	Indicator/Question	References and Links
Integrating Findings and Taking Action	C4.3 During the reporting period, what actions has the company taken to prevent or mitigate potential impacts related to each salient issue?	<ul style="list-style-type: none"> • Modern Slavery Statement (Responsible Sourcing, Our Progress, Our Commitments and Progress, Modern Slavery in the Context of COVID-19, Engagement with Strategic Stakeholders) • Partnerships • Sustainability Report, People (Human Rights, p. 58-64; Employees, p. 65-82; Supply Chain, p. 83-93)
Tracking Performance	C5 How does the company know if its efforts to address each salient human rights issue are effective in practice?	<ul style="list-style-type: none"> • Modern Slavery Statement (Responsible Sourcing, Our Progress, Our Commitments and Progress, Modern Slavery in the Context of COVID-19) • Sustainability Report, People (Supply Chain, p. 83-93)
Tracking Performance	C5.1 What specific examples from the reporting period illustrate if each salient issue is being managed effectively?	<ul style="list-style-type: none"> • Modern Slavery Statement (Responsible Sourcing, Our Progress, Our Commitments and Progress, Modern Slavery in the Context of COVID-19) • Sustainability Report, People (Supply Chain, p. 83-93)



Section	Indicator/Question	References and Links
Remediation	C6 How does the company enable effective remedy if people are harmed by its actions or decisions in relation to the salient human rights issues?	<ul style="list-style-type: none"> • Amazon France Logistique Duty of Vigilance Plan (Policies, Assessment of Priority Areas: Hours and Overtime, Workplace Discrimination, Trade Union Rights, Occupational Injury; Addressing Health Impacts of Novel Coronavirus (COVID-19)) • Code of Business Conduct and Ethics (IX. Questions; Reporting Violations) • Global Human Rights Principles (Employee Communication) • Modern Slavery Statement (Responsible Sourcing, Our Progress, Case Study, Engagement with Strategic Stakeholders) • Partnerships • Supply Chain Standards (p. 1, 5-6) • Sustainability Report, People (Employees, p. 65-82; Supply Chain, p. 83-93)
Remediation	C6.1 Through what means can the company receive complaints or concerns related to each salient issue?	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics (IX. Questions; Reporting Violations) • Global Human Rights Principles (Employee Communication) • Modern Slavery Statement (Responsible Sourcing, Our Progress, Case Study, Engagement with Strategic Stakeholders) • Supply Chain Standards (p. 1, 5-6) • Sustainability Report, People (Employees, p. 65-82; Supply Chain, p. 83-93)
Remediation	C6.2 How does the company know if people feel able and empowered to raise complaints or concerns?	<ul style="list-style-type: none"> • Sustainability Report, People (Employees, p. 65-82)



Section	Indicator/Question	References and Links
Remediation	C6.3 How does the company process complaints and assess the effectiveness of outcomes?	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics (IX. Questions; Reporting Violations) • Modern Slavery Statement (Engagement with Strategic Stakeholders) • Partnerships • Sustainability Report, People (Human Rights, p. 58-64; Employees, p. 65-82; Supply Chain, p. 83-93)
Remediation	C6.4 During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned?	<ul style="list-style-type: none"> • Modern Slavery Statement (Responsible Sourcing) • Sustainability Report, People (Employees, p. 65-82; Supply Chain, p. 83-93)
Remediation	C6.5 During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?	<ul style="list-style-type: none"> • Modern Slavery Statement (Our Progress, Case Study, COVID-19) • Sustainability Report, People (Supply Chain, p. 83-93)



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