Annual General Meeting

Company Participants

- Andy Jassy, President and Chief Executive Officer
- Brian T. Olsavsky, Senior Vice President and Chief Financial Officer
- Brianna Harrington, Author, Harrington Investments
- Bruce Herbert, Newground Social Investment
- Chris Smalls, Founder and President, Amazon Labor Union
- Conrad MacKerron, Senior Vice President, As You Sow
- Dana Floberg, Advocacy Director, OpenMIC
- David A. Zapolsky, Senior Vice President, General Counsel and Secretary
- Grant Bradski, Creative Content Coordinator, As You Sow
- Isaiah Thomas, Amazon Associate
- Jacqueline Sadashige, Senior Corporate Responsibility Officer, PETA
- James McRitchie, Shareholder
- Jennifer Bates, Oxfam America
- Laith Abad, Software Development Engineer II, Amazon Games
- Paul Chesser, Director, National Legal and Policy Center
- Rajpal Singh, Delivery Service Partner, Amazon
- Ronald Sewell, Amazon Associate, ATL6
- Sarah Rehberg, National Center for Public Policy Research
- Seamus Finn, Greater Manchester Pension Fund
- Unidentified Speaker
- Yvonda Clopton, Amazon Associate

Presentation

David A. Zapolsky {BIO 5884426 <GO>}

Welcome to the Amazon.com Annual Meeting of Shareholders. I'm David Zapolsky, Senior Vice President and General Counsel. I now call the formal portion of this meeting to order. This is our 26th Annual Meeting since we became a public company. Today's agenda covers our items of business and rules of procedure. Please note that in the event an unanticipated issue prevents us from being able to continue this Annual Meeting, we will post updated meeting information on our Investor Relations website.

After the proposals have been presented, we will have a presentation by Brian Olsavsky, our CFO. Angie Quinnell[ph], Director of Financial Communications, will then moderate the Q&A session with Andy Jassy, our CEO. Angie, can you provide details on how to submit a question?

Unidentified Speaker

Thanks, David. If you wish to submit a question and have not already done so prior to the meeting, please type your question into the ask a question field on the website you've used to access this meeting and click submit. Out of respect for your fellow shareholders, we ask that each person be concise and limit themselves to one question.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. It's now my pleasure to introduce our Directors who are attending this meeting, including those joining us remotely. Jeff Bezos, Andy Jassy, Keith Alexander, Edith Cooper, Jamie Gorelick, Daniel Huttenlocher, Judy McGrath, Indra Nooyi, Jon Rubinstein, Patty Stonesifer, and Wendell Weeks. Also joining us remotely today are representatives of our auditors, Ernst & Young.

The polls opened for voting on all matters at the beginning of the meeting and we will close the polls after presentation of today's proposals. The proposals to be voted on today are set forth in our proxy statement. If you wish to vote during the meeting, please follow the instructions on the meeting website before the polls close. If you have already voted in advance of the meeting, you do not need to vote again unless you requested a legal proxy or wish to change your vote.

A representative of Broadridge was appointed our inspector of elections, has taken the required oath, and has certified that notice of this meeting was mailed beginning on April 13, 2023 to all shareholders of record as of the record date, and that a majority of our common stock is present or represented by proxies. Therefore, a quorum exists for the meeting.

I'll now introduce the company's proposals, which are the Election of Directors, the ratification of the appointment of Ernst & Young as independent auditors for fiscal 2023, an advisory vote to approve executive compensation, an advisory vote on the frequency of future advisory votes on executive compensation, and the reapproval of our 1997 stock incentive plan as amended and restated for purposes of French tax law.

We have 18 shareholder proposals to be voted on, if properly presented. To ensure that we have adequate time for our Q&A session later in the meeting, each proponent will have two minutes to present their proposal. If a proponent goes beyond two minutes, we will need to place the line on mute so that we can continue the meeting. Thank you in advance for your understanding. Grant Bradski will now introduce Proposal number 6, requesting a report on retirement option -- retirement plan options. Mr.Bradski has pre-recorded the following statements.

Grant Bradski

Good morning. Thank you for the opportunity to present this proposal. I'm Grant Bradski from the shareholder representative As You Sow. The shareholder resolution is of the utmost importance as it asks the critical question, how will Amazon protect its employees' life savings from the economic consequences of climate change?

Climate change poses material risk to retirement plan beneficiaries. The CDP reports that 215 global companies, including Amazon, have almost $1 trillion at risk from climate impacts, with many losses expected within the next five years. More than half of Amazon employees are invested in the company's default target date option, which is heavily exposed to high carbon and deforestation intensive industries. These investments contribute to climate change, create systemic portfolio risk, and are poor long-term investments for younger beneficiaries whose retirement benefits are likely to be harmed due to climate-related financial losses.

Amazon knows we must address climate risks head-on. It's why shareholders are proud of our company's climate goal of 100% renewable energy by 2025 and its $2 billion investment in the Climate Pledge Fund, which was created to encourage businesses to reach net zero by 2040.

Yet, how will we meet these goals if Amazon is at the same time directing over $1 billion of employee 401(k) savings into fossil fuels and burning down the Amazon? These investments undermine the company's climate goals, expose employees' savings to financial risk, and harm the company's reputation on climate, which may make it difficult to attract and retain top employee talent and could expose the company to litigation risk, as occurred recently.

Just as Amazon has taken operational climate action, shareholders ask that Amazon now begin to address the climate impacts of the billions of dollars being invested in fossil fuels by our retirement plan. This will not only protect our company from the economic impacts of climate change, but protect our employees' life savings from these same risks. Thank you.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Laith Abad will now introduce Proposal number 7, requesting a report on customer due diligence. Operator, please open the line for Mr.Abad.

Laith Abad

Good morning. My name is Laith Abad, and I'm a software engineer at Amazon Games and a first-generation Palestinian-American. I'm here to present resolution 7 on behalf of the American Baptist Home Mission Society and co-filers. The proposal calls on Amazon to commission an independent third-party report on its process for customer due diligence to determine whether customers' use of its surveillance products and services contributes to human rights violations.

As an Amazon employee, I can say confidently that my coworkers and I want to work at a company that stands for the human rights of all people. Proponents again offer this proposal to encourage the company to meaningfully assess the impacts of high-risk technologies and contracts with government agencies and strengthen due diligence processes in areas where there are gaps.

Technologies like Ring Doorbell and facial recognition can be used to increase widespread surveillance, which furthers racist policing, infringes on privacy, and violates the human rights of communities of color. As a Palestinian American, I'm especially concerned with Amazon's contract with the Israeli military and government known as Project Nimbus.

This contract provides powerful technology to an army accused of war crimes and a government that's enforcing or oppressive system of apartheid, a crime against humanity, according to Amnesty, Human Rights Watch, the UN, the Israeli Human Rights Organization, B'Tselem, and others. Palestinian families live every day under deeply intrusive surveillance, fear of violence, being forced from their homes, and even death.

My own father was ethnically cleansed from his homeland of Palestine by the Israeli government, as well as many other relatives. This is deeply personal, and I know I'm not alone. As Amazon employees, we want to ensure that the tech we build and sell doesn't harm our own communities and those of our users. Shareholders and employees want to see Amazon take responsibility and lead the way on ending tech-driven human rights abuses.

Amazon's business should support human dignity and a fair and just society for all people, not power oppression, division, and discrimination. I hereby move Proposal 7, which requests a customer due diligence report. Thank you.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Dana Floberg will now introduce Proposal 8, requesting reporting on content and product removal restrictions. Ms.Floberg has pre-recorded the following statement.

Dana Floberg

Hello, my name is Dana Floberg. I'm the advocacy Director at OpenMic, and I'm here to present Item number 8 regarding transparency reporting on removal and restriction of content. The proposal asks the Board to revise the company's transparency reporting to include quantitative data regarding content and products the company removes in response to or in anticipation of government requests. Reporting suggests that the company has removed products and censored user content on Amazon's e-commerce platform at the behest of authoritarian governments and in excess of the requirements of local laws.

Investors require improved transparency reporting in order to adequately assess whether Amazon is acting in compliance with its internationally recognized human rights commitments. Without this transparency, the company is likely to be the continued target of negative press and lawsuits that stand to substantially harm performance.

The specific improvements requested by the proposal are standard across e-commerce platforms and other technology companies, meaning that Amazon's current reporting falls far short of peer companies such as Alphabet, Apple and Meta, earning it the moniker of by far the least transparent U.S. based tech company from independent analysts at non-profit ranking digital rights.

Despite this, the company has refused to engage with the proponents of this proposal. The proponents expressed every interest in discussing our concerns with leadership, but instead the company chose to reject the proposal out of hand without even a conversation with investors. We believe improved transparency would be in the best interests of Amazon and its shareholders. I urge shareholders to vote for Item 8 to improve the company's transparency reporting.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Paul Chesser will now introduce Proposal number 9, requesting a report on content removal requests. Mr.Chesser has pre-recorded the following statement.

Paul Chesser

Amazon totally misses our point in its statement of opposition to our proposal, which asks for a report on requests the company has received from all branches of the U.S. Government. All we ask is for the company to list incidents in which a government official has requested content to be removed from Amazon's platforms. But Amazon throws a bunch of lawyerly language about irrelevant policies and procedures in its opposition statement to distract from our simple request.

For the purposes of our proposal's request, my organization doesn't care about Amazon's sales policies. Likewise, my organization doesn't care about Amazon's legal compliance measures. And my organization doesn't care about Amazon's content guidelines, and my organization doesn't care about Amazon's community guidelines. We also don't care how Amazon enforces any of these policies and guidelines.

To summarize and simplify, all we care about for the purpose of this proposal is for Amazon to tell us who in the federal government has asked for content removal, when these government officials did it, how Amazon responded to these government officials, and why the company responded the way it did.

All the information we ask for is irrelevant to any policies and processes Amazon cites in its opposition statement to our proposal. There is nothing that prevents the company from providing this information with perhaps a few exceptions in law enforcement situations. But those by far don't account for the majority of requests Amazon has received to censor content.

And believe me, this is about illegal and unconstitutional censorship, not about law enforcement. Amazon obviously does not want to disclose this information. As we learned from the Twitter files, big tech companies willfully complied in working with government to censor based on speech and ideology. So consequently, we now ask, who in the government is Amazon covering up for. Please vote for Proposal number 9.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Rajpal Singh will now introduce Proposal number 10 requesting additional reporting on stakeholder impacts. Operator please open the line for Mr.Singh.

Rajpal Singh {BIO 22105576 <GO>}

Good morning. My name is Rajpal Singh. I've worked as a driver for Amazon's delivery service provider in Palmdale, California for 2.5 years. I'm among the 80 brave drivers who recently joined the Teamsters Union. I'm here to formally move Item 10, which calls for a just climate transition strategy for Amazon workers like me.

Amazon boasts about its climate pledge, but this company is silent on how its climate strategy will be fair and just to workers and our communities. Amazon is one of the world's largest employers with over a 1.5 million workers. The workers cannot be overlooked. What should adjust transition look like for drivers like me? It means not penalizing us for returning undelivered packages when it's unsafe to work outside in brutal 100-plus degree wet heat. And my coworkers and I work in desert conditions, so we experience this firsthand. It demands Amazon recognize we are Amazon employees. After all, we wear Amazon uniforms and drive Amazon vans for a DSP that Amazon controls.

Amazon pledges to electrify its last mile delivery vehicles, but denies responsibility for those deliveries. Amazon needs to answer how, with 3,000 DSPs, it will electrify these fleets without unjustly placing the cost on DSPs and workers. A just transition begins with respecting workers' rights to organize and collectively bargain to ensure they have a seat at the table.

There can be no just transition at Amazon if as a decarbonizes the company continues to trample over the rights of its workers. A just transition begins with respecting and listening to workers like me. It certainly doesn't begin by threatening to take our jobs away. We are fighting back. You can stand with us by donating at http://ibt.io/adsolidarityfund. Amazon doesn't listen, it doesn't respect and that's why I urge shareholders to support Item 10. Thank you.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Father Seamus Finn will now introduce Proposal number 11 requesting alternative tax reporting. Father Finn has pre-recorded the following statement.

Seamus Finn

Fellow shareholders and members of the Board of Directors. My name is Father Seamus Finn and I'm here on behalf of the Greater Manchester Pension Fund, Amundi Asset Management and the Missionary Oblates of Mary Immaculate to move shareholder proposal Number 11. Our proposal calls on Amazon to align with other leading multinational companies and use the Global Reporting Initiative tax standard. The GRI is the most widely used sustainability standard and is the only comprehensive global tax reporting standard today.

A transition to the GRI standard will not require a drastic transformation for our company. Our company already submits country by country reporting to OECD tax authorities.

The GRI standard provides transparency of our company's approach to the taxes, tax governance, controls and risk management, and public country by country reporting. In a world faced by multiple crisis, the scrutiny of corporate tax payments is likely to increase year-on-year. If investors are to make informed assessment of Amazon's tax strategy and evaluations of the company's tax risks, we need accurate, accessible and transparent data on a country by country basis.

Tax authorities are already starting to mandate greater transparency and accountability in corporate tax reporting and in Australia to soon make public country by country reporting mandatory. We believe that companies demonstrating leadership stand to benefit from staying ahead of the curve. We encourage the Board to be thoughtful leaders and embrace tax transparency and we urge fellow shareholders to vote for shareholder Proposal number 11. Thank you very much.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Bruce Herbert will now introduce Proposal number 12 requesting additional reporting on climate lobbying. Mr.Herbert has pre-recorded the following statements.

Bruce Herbert {BIO 20126898 <GO>}

Thank you and good morning. I am Bruce Herbert of Newground Social Investment and I stand to move Proposal number 12, the climate lobbying proposal, on behalf of Newground and the Sisters of the Presentation of the Blessed Virgin Mary. Proposal 12 seeks consistency and leadership from Amazon in aligning its political influence activities with the company's established climate change goals. First, let me commend Amazon for taking a leadership stance in declaring a net zero by 2040 target for its greenhouse gas emissions. Industry peers and NGO experts recognize that a favorable and consistent regulatory environment is critical to achieving important climate targets.

The challenge is that numerous trade associations which receive funding from Amazon do not themselves believe in climate change. Examples include the

American Enterprise Institute, the Americans for Tax Reform and the U.S. Chamber of Commerce, which between them have received failing marks for denying climate science, funding a host of anti-climate organizations and frequently acting as if paid lobbyists for the oil and gas industry.

But policy misalignment also happens when companies say one thing, then just do another without third-party interference, which we see Amazon and others repeatedly doing. Details on this are in a formal report we recently submitted to the U.S. Securities and Exchange Commission. Three responses are needed to counter the threat posed by misalignment between our company and the actions of trade associations and other rogue parties.

First, the company needs to assess and report to shareholders on its political influence activities. However, in a manner that highlights where there is divergence between company goals and the undermining activities these groups are taking. Second, the company needs to articulate and report on what steps it takes when it does find divergence between itself and those that receive funding from Amazon. Merely saying there's a difference of opinion does not address misalignment.

Lastly, in all quadrants, Amazon needs to insist on a level playing field, one that ensures all parties are aligned around critical climate priorities, so others cannot take shortcuts which disadvantage pledged companies like Amazon. In closing, there's grave need for consistency, alignment, and rapid progress on tackling climate change. We report this proposal requests is needed because the company's direct actions are often not consistent with its stated policies, and the positions taken by groups that Amazon funds are often outrageously hostile to Amazon's public commitments. Therefore, please join us in voting for Proposal number 12. Thank you.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Ronald Sewell will now introduce Proposal number 13, requesting additional reporting on gender and racial pay. Mr.Sewell has pre-recorded the following statement.

Ronald Sewell {BIO 20278374 <GO>}

Good morning. My name is Ronald Sewell and I am an Amazon associate working at ATL6 in East Point, Georgia. Today I am speaking on behalf of investment management firm, Arjuna Capital, to move Proposal 13, asking for a report on median, racial, and gender pay gaps as a mean to address structural pay inequity at Amazon.

As an associate and shareholder, I want Amazon to be a better company and place to work. That's why my coworkers and I are organizing to improve our working conditions. As the cost of living rises, we are struggling to support our families due to low wages, unstable schedules, and a lack of upward mobility. While Amazon claims it supports associates in growing their careers. Many of my co-workers have applied to open positions repeatedly and are denied with no explanation. When associates don't feel like they have a path forward, they leave contributing to Amazon turnover problems.

Amazon continue to only report its statistically adjusted pay gaps, which assesses whether minorities and women are paid the same as their white male peers within the same roles. This data does not account for who holds what jobs, ignoring the structural racism, sexism that can relegate people of color and women into low-paying job categories.

A general capital proposal asks for median pay data so investors can understand who has access to the higher paying position at Amazon and how that changes over time. Currently, at least 40 U.S. companies have committed to reporting on median pay data. Warehouse associates and shareholders would like to see Amazon do the same. Thank you for your support of transparent and honest pay equity accounting.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Sarah Rehberg will now introduce Proposal number 14, requesting an analysis of costs associated with diversity, equity, and inclusion programs. Ms.Rehberg has pre-recorded the following statement.

Sarah Rehberg

Good morning and thank you for the opportunity to speak in support of Item number 14, which would require a cost-benefit analysis of the company's DEI programs. The company's DEI webpage sets forth several commitments to increasing representation of women and black employees in certain positions. But what DEI policies such as these overlook is that there is much disagreement across the ideological spectrum over whether instead of combating discrimination, DEI practices actually create a discriminatory environment due to its insistence on placing service level characteristics, such as race and sex, above merit. In doing so, DEI policies can lead to discrimination against groups that the company doesn't recognize as diverse.

That's why our proposal seeks to ensure that all employees, not just those deemed diverse by the company, feel included and receive equal treatment when it comes to workplace dynamics and career advancement. The company's statement in opposition to our proposal states that its policies and procedures are intended to foster diversity and inclusion and promote respect for all people. But it's difficult to see how the company's DEI initiatives fosters diversity, inclusion, and respect for all individuals when it sets hiring goals based on race and sex.

Whatever the intention, surface characteristic-based hiring creates a discriminatory environment where it is impossible for all employees to feel truly included and respected.

Voting yes on Item number 14 would provide shareholders and the public with an impartial assessment of how the company is potentially causing discrimination in the name of opposing it. Thank you.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. James McRitchie will now introduce Proposal number 15, requesting an amendment to our bylaws to require shareholder approval for certain future amendments. Mr.McRitchie has pre-recorded the following statement.

James McRitchie {BIO 5114010 <GO>}

In 2002, I petitioned the SEC for proxy access. It took three rule makings and a court battle, but 20 years later, 81% of S&P 500 companies have something called proxy access. Unfortunately, almost all bylaws require nominating groups hold 3% for three years and groups are limited to 20 members.

Proxy access can't really be done without at least one of the big four. I administer retirement savings plans for companies and have never even filed a shareholder proposal. So proxy access has gone unused. Now, after decades, the SEC adopted Rule 14A19, allowing shareholders to split our votes between Board nominees and challengers without attending annual meetings.

But shareholders are concerned that universal proxy rule will go the way of so-called proxy access. After reading bylaws adopted by Massimo, Bloomberg's Matt Levine wrote that company bylaws might demand challengers submit disclosures on paper woven from unicorn manes, with requirements waived for the Board nominees. There should be some limits on what Boards can require without seeking shareholder approval in advance, or at least within a year or so after adoption.

I filed 30 proposals like the one before you, we reached agreements at about one third of the companies based on guardrails that preserve the rules intent. All shareholder proposals are advisory, even if we win overwhelmingly here, Boards are free to ignore them or to adopt whatever they please. Your vote for this proposal can help us reach a similar agreement at Amazon, either before the next annual meeting or after an even higher vote next year, based on a revised proposal that reflects agreements reached with other companies to protect the rights of shareholders. Please vote for Proposal number 15. Thank you.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Chris Smalls will now introduce Proposal number 16 requesting additional reporting on freedom of association. Operator, please open the line for Mr.Smalls.

Chris Smalls

Thank you. Good morning. Good afternoon, shareholders of Amazon. My name is Chris Smalls. I'm the Founder and President of the Amazon Labor Union. Amazon pledges to become earth's best employer and earth's safest place to work. It also publicly says it respects workers' rights to freedom of association and collective bargaining.

Despite Amazon's public commitment, Amazon workers have accused the company of conduct that violates both ILO conventions and national law protecting freedom of association and collective bargaining rights.

Many workers experience Amazon anti-union tactics including intimidation, retaliation, and division every day. I have experienced these tactics when I was terminated in 2020 after working four and a half years of Amazon for speaking out over health and safety.

On April 1 of 2022, the workers of JFK Fulfillment Center on Staten Island voted to become the first union in American history for Amazon. However, during this historical campaign, Amazon spent over $14.2 million of your money battling its workers who just want to exercise their fundamental right to form a union. Without a union, Amazon workers will not be able to collectively defend their rights as workers and establish better working conditions, better pay, and better benefits.

Our efforts here in America have been felt around the globe. Many workers are now fighting to form their own unions in their country as well. The movement will only continue to grow. Our struggle has been felt by many shareholders of Amazon who demand accountability for the way it treats its workers today. I am moving Proposal number 16, calling on the Board to conduct a third-party assessment of Amazon's adherence to stated commitment to workers' freedom of association and collective bargaining rights, including the respect of the International Labor Organization core labor standards. The ALU and 8,300 members that I represent here in Staten Island are ready to negotiate our first contract. In addition, we're asking that Amazon come to the table and do the right thing by its workers. Thank you.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Isaiah Thomas will now introduce Proposal number 17 requesting a new policy regarding our executive compensation process. Mr.Thomas has pre-recorded the following statement.

Isaiah Thomas {BIO 22604792 <GO>}

Good morning. My name is Isaiah Thomas and I hereby introduce shareholder Proposal item number 17 on behalf of the AFL-CIO Reserve Fund. The proposal requests that the Board of Directors taking consideration the pay of the company's workforce when setting target amounts for CEO compensation. I am an employee at Amazon's warehouse in Bessemer, Alabama.

On behalf of my fellow co-workers, we want you to know that working in an Amazon warehouse is hard, demanding work. The pace of our work is set by a computer algorithm, we are -- and we are subject to discipline if we do not stay on pace. We feel like the company treats us like robots and not as the human beings that we are.

In 2021, Amazon CEO Andrew Jassy received over $212 million in total compensation. This was 6,474x the total compensation of Amazon's median employee in 2021. While Amazon CEO to worker pay ratio fell in 2022, we believe that Amazon's history of high CEO pay shows why this proposal is necessary. The pay ratio between the CEO and the company's employees matters to me and my co-workers at Amazon.

I can tell you that a high CEO to worker pay ratio hurts our morale as employees. Like Amazon CEO, we deserve a fair return on our work. According to the proxy statement, Amazon CEO pay is set using a peer group. Even if you target CEO pay at the peer group average, other companies may cherry pick their peers to select companies with higher CEO pay.

As a result, CEO pay is guaranteed to rise for all peer group companies. I and my co-workers believe that all Amazon employees deserve to be paid fairly in accordance with the demanding work that we do. Amazon depends on the contributions of its entire workforce to succeed. All we ask is that you consider whether the CEO pay is in alignment with the rest of the workforce. For those reasons, we urge you to vote in favor of this proposal. Thank you.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Jacqueline Sadashige will now introduce Proposal number 18, requesting additional reporting on animal welfare standards. Ms.Sadashige has pre-recorded the following statements.

Jacqueline Sadashige

Whole foods misleadingly claims that its animal welfare standards for meat and other animal-derived products are stronger than most anywhere, encompass how the animals are raised, transported, and slaughtered, and that a traceable audit system tracks animals from birth to slaughter. Yet Whole Foods has a history of selling animal-derived products from suppliers implicated in an array of atrocities to animals.

At Whole Foods' self-proclaimed supplier of Happy Meat, Sweet Stem Farm, sick and injured pigs languished for weeks without veterinary care, several with bloody rectal prolapses. Chickens at Nellie's Free Range Eggs, another Whole Foods supplier, had the tips of their beaks cut off to prevent stress-induced cannibalism. Last October, following a PETA investigation into a Whole Foods supplier, Pennsylvania State Police filed 141 cruelty charges, more than in any case of cruelty to factory-farmed animals in U.S. history, against 12 former workers at Plainville Farms, a company claiming to produce humane turkey.

Workers repeatedly and viciously kicked and stomped on turkeys each night, and birds convulsed after workers tried but failed to break their necks. Two workers were recorded mimicking masturbation and rape with injured and dying birds. Most recently, PETA Asia's latest investigation into the use and abuse of monkey labor in the Thai coconut industry implicated a supplier of Whole Foods 365 brand.

Endangered pigtail macaques are illegally snatched from the wild, chained, whipped, and forced to spend long hours picking heavy coconuts. Whole Foods' history of selling meat and other animal-derived products from suppliers in blatant violation of its animal welfare standards jeopardizes our company's reputation. We urge shareholders to vote that Amazon issue a report evaluating the efficacy and shortcomings of Whole Foods' animal welfare standards and auditing procedures that have failed to prevent egregious cruelty in the company's supply chain.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Ching Zhao will now introduce a -- Proposal number 19 requesting additional Board committee. Mr.Zhao has pre-recorded the following statements.

Unidentified Speaker

Good morning fellow shareholders. Amazon has not but needs a public policy committee to assist the Board to oversee public policy issues including human rights, corporate social responsibility, diversity, equity, inclusion, climate approach, renewable energy, net zero carbon, vendor chain management, charitable giving, political activity and expenditures, governmental regulations, international relations, unionization and other public issues that affect Amazon's operations, performance, public reputation, and the shareholders' long-term value.

Many public policy issues have been frequently voted at our shareholders' meetings. 7% of the companies in the S&P 500 have a separate Board committee responsible for public policy. For example, Microsoft established a Regulatory and Public Policy Committee in 2012 besides Governance and the Nomination Committee. Considering Amazon's giant size and the complex operations of business worldwide, even if only 0.7% of the companies in the S&P 500 have a public policy committee, Amazon must be one of them. Thank you very much.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Jennifer Bates will now introduce Proposal number 20, requesting an alternative Director candidate policy. Ms.Bates has pre-recorded the following statement.

Jennifer Bates {BIO 19774246 <GO>}

Good morning, my name is Jennifer Bates and I'm here to present ballot Proposal number 20 on behalf of Oxfam America and co-filers. The proposal calls on Amazon to consider hourly associates as candidates for the Board of Directors. I've worked at the Amazon Warehouse Investment Alabama for over three years. Some of you may recognize me from last year when we filed this resolution.

Amazon has failed to take meaningful steps to amplify worker voice at the management level despite the fact that the channeling worker voice serves as a key tool for mitigating investor risk. On the contrary, in the years since I last presented to Amazon shareholders, the company has doubled down on a strategy to stifling worker voice and burying growing dissent, which is generating increased reputational and operational risk to the company.

On the heels of last year's successful vote to unionize Amazon Staten Island, instead of responding with good-faith negotiations, they challenged with litigation. Instead of stifling worker voice, which could enable management to address worker concerns before they grow into PR disasters, Amazon should listen to us.

We are speaking up about grueling hours, backbreaking physical labor, and fears of time off task. Employees should have a voice with the Board and upper management so that these punishing labor practices are addressed head on, rather than hidden in ways that ultimately come to light.

In fact, things are getting worse at Amazon. Leaked internal memo warned that the company could run out of workers in certain key markets in the next two years. This is not a good look for the company, because the media, public, and lawmakers are listening to us. The need for worker representation on the Amazon Board is greater than ever today. It will create a sea change opening the doors for management to understand our needs. Vote for Proposal number 20 and we can make sure that the leadership understands its most important asset, the workers. Thank you.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Yvonda Clopton will now introduce Proposal number 21, requesting a report on warehouse working conditions. Ms.Clopton has pre-recorded the following statement.

Yvonda Clopton

Good morning. My name is Yvonda Clopton and I'm an Amazon Associate for St. Louis, Missouri. Today I'm speaking in support of Proposal number 21, requesting that the Board of Directors commission an independent audit and report of Amazon warehouse working conditions. Why am I speaking in support of this proposal? Because right now Amazon warehouses aren't safe for workers like myself. How do I know this? I've seen it firsthand. Amazon high work rates and heavy surveillance are driving workers' injuries. I've worked at Amazon for five years. I'm capped out in my pay, and I feel dead when I leave work every day. At night, I go home and soak in a tub of Epsom salt to just get myself back together so I can start all over again.

Otherwise, I don't think I could get out of bed. But this isn't just happening in my facility. While Jeff Bezos promised to make Amazon Earth's safest place to work, the injury rate at our warehouses has continued at crisis level.

Last year, Amazon's injury rate was more than twice as high as the rest of the warehouse industry. Nine OSHA investigations found the level of injury risk at Amazon violated the law, and 10 states have introduced new bills to limit warehouse quotas. Shareholders, how long do you think Amazon can keep this up? It's not too late for the company to prioritize both worker safety and profitability. Amazon has the resources and ingenuity to pay workers a living wage and to run the safest warehouse in the world, but they must act now. That's why, shareholders, I'm asking you as both an Amazon worker and a fellow Amazon investor to vote in favor of Item 21.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Conrad MacKerron will now introduce Proposal number 22, requesting a report on packaging materials. Operator, please open the line for Mr.MacKerron.

Conrad MacKerron

Good morning. I'm Conrad MacKerron Senior Vice President of As You Sow, representing George Gund Foundation, the final Proposal 22. I'm here today to present for the third year a proposal asking the company to make a commitment to a significant reduction in its use of plastic packaging.

Amazon's substantial use of plastic exposes the company to increased financial and reputational risk. It lags at least 17 other consumer goods companies, including Walmart and Target, who have established virgin plastic reduction goals. Plastic pollution is a continuing international environmental crisis, drawing top-of-mind attention from governments and citizens.

Next week, negotiators from around the globe will gather in Paris to advance a binding global treaty to reduce plastic pollution. Meanwhile, our company provides only piecemeal disclosure about its use of plastic and has declined to commit to setting a specific plastic reduction goal.

Last year, Amazon finally released limited data about its plastic use but still does not provide an overall baseline amount of plastic used throughout its supply chain. The company disputes the findings of environmental group Oceana, which has published separately generated estimates of how much plastic the company uses. But Amazon has resisted for years providing specific data to counter the Amazon data and allow investors to accurately assess its progress.

Last year, this proposal received an impressive 49% support, more than any other ESG proposal on the proxy, indicating that many of the company's biggest investors see it as an important priority. We urge investors to again send a strong message to management that if it wants to be an environmental leader, it must commit to a significant reduction in its use of plastic and provide comprehensive data on use. So investors can accurately assess its progress in reducing plastic pollution. We urge your support for and I hereby move Proposal 22. Thank you.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. Brianna Harrington will now introduce Proposal number 23, requesting a report on customer use of certain technologies. Operator, please open the line for Ms.Harrington.

Brianna Harrington {BIO 20454636 <GO>}

Hello. In recognition of this proposal's inclusion in the proxy material for five consecutive years, today I deliver to you a special message from Harrington Investments. Dear Amazon, it's our anniversary. Yes, we are celebrating, with or without you.

We prefer that you participate, but we've learned that despite what you tell shareholders, you really don't want our input. You state you're willing to work constructively to address realistic issues and work towards solutions, while we, the proponents, appear unwilling to acknowledge any action short of ceasing to offer recognition as sufficient. Then, you declare Amazon as being an active participant in and contributor to these conversations around the responsible development and use of AI and helping lead the industry in these important conversations. But how can this be true when we, the proponent, are disregarded entirely?

When our, albeit strained, relationship came about in 2019, we envisioned this journey as an opportunity for growth, learning, and collaboration. So much has transpired since then. Black Lives Matter movement, a global pandemic, the Russian invasion of Ukraine. Yet after all we've been through and in the face of the groundswell of support that continues to surge in favor of a resolution, Amazon remains steadfast in its opposition to the modest measures requested.

Whether or not you choose to engage with Harrington Investments, we too remain steadfast. Steadfast that an independent study on recognition is warranted and necessary to ensure earnest efforts are taken to thoroughly assess threats recognition potentially poses to civil liberties, freedom, and society at large. To dismiss these concerns is dangerous more now than ever. There is so much we cannot possibly foresee, and adopting a passive wait and see approach is akin to being complicit in inflicting any subsequent harm resulting from the use and or sale of this rapidly evolving tech. And mind you, prior studies indicate the disproportionate likelihood that those negatively impacted will be among the most vulnerable of demographics.

Further, there's no harm in obtaining external third-party expert insight on recognition, and at minimum will provide an additional safeguard. In closing, we reflect on the last half a decade we've been engaged in what we originally imagined might develop into an informed discourse, an exchange of perspective, but this stalemate we have going on is getting stale. You have such potential for goodness, but you've grown so arrogant remember where you came from, those humble benign origins as an online book retailer? Alas, in the spirit of progress, Harrington

Investments wishes you a happy anniversary, Amazon. Cheers to five more years. Cheers.

David A. Zapolsky {BIO 5884426 <GO>}

Thank you. The proxy statement for this meeting explains the reasons for the company's recommendation against each of the shareholder proposals appearing in the proxy statement. We've received some questions regarding the proposals. Thank you for those questions. In response, I invite you to review the Board statement and recommendation as applicable on each of the proposals as set forth in the company's proxy statements.

That concludes the presentation of the proposals. The polls are now closed on all proposals and the formal portion of this meeting is now adjourned. Based on preliminary voting results, each nominee for Director received a majority of the votes cast for such nominee's election, so all 11 nominees have been duly elected. The ratification of the appointment of Ernst & Young, the advisory vote to approve our executive compensation, and the re-approval of our 1997 stock incentive plan as amended and restated for purposes of French tax law have each been approved by the requisite vote.

A majority of the shares present and entitled to vote on the matter were voted in favor of the proposal on a one-year frequency for the future advisory votes on executive compensation, and none of the shareholder proposals has been approved by the requisite vote.

I would now like to introduce Brian Olsavsky, who will give a financial update after a short video.

(Audio-Video Presentation)

Brian T. Olsavsky {BIO 18872363 <GO>}

Hello everyone, I'm Brian Olsavsky, Amazon's Chief Financial Officer. Today I will be providing a recap of our 2022 financial results, which will be followed by a shareholder Q&A with our CEO, Andy Jassy.

In 2022, Amazon's net sales were $514 billion, representing a year-over-year increase of $44 billion, or 13% growth, excluding the impact of foreign exchange. This $44 billion in growth comes on the heels of a two-year period in 2020 and 2021, where we increased our annual revenue by nearly $190 billion. This step up in sales was largely driven by our efforts to serve customers during the height of the pandemic.

Now that demand patterns have stabilized, we've seen different customer behavior in response to the tighter economy. Throughout 2022 and into early 2023, we are seeing customers look to stretch their budgets further with a focus on value. Our teams around the world, work hard to deliver low prices and secure great deals for customers, particularly for last year's Annual Prime Day event in July and our first ever Prime Early Access sale in October. These global sales events outperformed our expectations as customers responded to millions of deals across our growing selection.

Third party sellers remain a key contributor to that expanding selection. For the full year 2022, sellers represented 57% of all units sold on Amazon. That's the highest annual seller percentage mix we've ever had. Sellers help us to increase our selection for customers, and we work hard to ensure that sellers are growing their businesses on Amazon. Sellers, vendors, and brands also continue to look to Amazon's advertising capabilities to reach customers even as the macro environment requires them to scrutinize their own marketing budgets. AWS continues to see enterprise customers of all sizes converting to the cloud. Customers are also working closely with our AWS teams to thoughtfully identify opportunities to reduce costs and optimize their spend.

While these efforts can impact short-term revenue growth, it is in times like these that we can build long-term trust with our customers and build partnerships that will last as they continue their move to the cloud. Turning to our segment financial results, our North America segment sales grew to $316 billion, up 13% year-over-year. International segment sales grew to $118 billion, down 8% year-over-year on an absolute dollar basis, and up 4% excluding the impact of foreign exchange.

We're enthusiastic about the businesses we're building internationally. In addition to our established international country offerings in Europe and Japan, we have added more than 10 new countries in the past five years, including Brazil, Australia, and the United Arab Emirates, to name a few. Across these geographies, we've continued to invest in the differentiated value of Prime and look to expand Prime household penetration. AWS segment sales grew to $80 billion, up 29% year-over-year, and now representing an annualized sales run rate of more than $85 billion.

As I mentioned previously, enterprise customers of all sizes evaluated ways to optimize their cloud spending, beginning and around the third quarter of 2022. And our teams were there to assist, including help in shifting to lower cost services and reviewing for architectural best practices. This customer orientation is in our DNA and is key to how we seek to build these relationships for the long term.

Stepping back, our customer pipeline remains healthy and robust, and there are many customers continuing to put plans in place to migrate to the cloud and commit to AWS over the long term, as well as customers continuing existing migrations. We continue to expand AWS's infrastructure footprint. In 2022, AWS launched new regions in Spain, Switzerland, and the United Arab Emirates, plus a second region in India.

In 2023, AWS launched a new region in Melbourne. Operating income was $12 billion, down from $25 billion in 2021. Throughout much of last year, we continued to work through many of the post pandemic impacts that began to affect businesses and consumers globally, beginning in the second half of 2021, including labor shortages and inflation in wages, fuel prices, transportation costs and ocean freight, to name a few.

We're working hard to return our operations to their pre-pandemic efficiency levels and are encouraged with the progress we are making to improve productivity and streamline the cost in our fulfillment network coming out of 2022 and into the first quarter of 2023. Cash flow remains our most important long term financial output metric. For 2022 operating cash flow was $47 billion, up 1% year-over-year. We continue to place meaningful attention on improving cost efficiencies throughout the stores business, and in reducing our cost to serve our customers, while ensuring we maintain an outstanding customer experience.

As we move into 2023, we are encouraged by what we see as we work to regionalize our operations and transportation network. We've been able to improve our inventory placement, reduce our touches per package, and increase our deliveries per hour, resulting in lower shipping and fulfillment costs per unit. Free cash flow is what remains of our operating cash flow after we invest in capital expenditures.

In 2022, free cash flow was an outflow of $13 billion. Over the past couple of years, working capital has not been as efficient as it has been historically, given our conscious decision to hold higher weeks of cover for our inventory given the ongoing supply chain disruptions.

As we exited 2022 and move into the new year, we've seen solid inventory level improvement while continuing to manage healthy in stock levels to support continued customer demand. We've also seen elevated levels of capital expenditures in the past few years as we built our network to handle the large increase in consumer demand.

In 2022, we invested approximately $59 billion towards our capital investments, which we define as the combination of capital expenditures plus equipment finance leases. Overall, capital investments were roughly flat year-over-year. We reduced our fulfillment and transportation investments by approximately $10 billion compared to 2021 as we've continued to moderate our build expectations to better align with post pandemic demand levels.

This was largely offset by increased investment of approximately $10 billion year-over-year in technology infrastructure, primarily to support our growing AWS consumer needs. In closing, I'm proud of all the work being done across the company to continue innovating, to obsess over customers, and to address our cost challenges despite an uncertain economic environment these past few years.

It hasn't been easy, and we've had to take several actions to streamline costs, but I'm encouraged by our progress and look forward to seeing our teams delivering and exciting new projects and initiatives.

Unidentified Speaker

Thank you, Brian. I would now like to introduce Andy Jassy, who will make a few opening remarks and address questions we have received pursuant to the meeting rules of procedure.

Andy Jassy {BIO 15111610 <GO>}

Hi, I'm Andy Jassy, and thanks for taking the time to join us for Amazon's Annual Shareholder meeting. I want to start by thanking our customers who include consumers, third party selling partners, developers, enterprises, brands and creators. Our customers are our inspiration. We appreciate their trust, and we're working hard to build customer experiences that we believe will meaningfully change what's possible for customers, and matter to our business in the long term.

I also want to recognize our more than 1.4 million employees for all their hard work. They continue to innovate always with the customer as the central focus. I'm proud of the incredible dedication and effort from our employees all over the world and what they deliver for customers and communities as well as their continued hard work to help protect the environment.

From my perspective, there's a lot to like about how our teams are delivering for customers and the results we're starting to see as we've been streamlining our costs and operations and investing deeply and further improving our customer experiences. I'm very optimistic about what lies ahead for Amazon and believe if we continue on this path that we have a chance to emerge from the current macroeconomic environment relatively stronger than we've ever been. Our best days are in front of us.

And with that, I look forward to taking your questions.

Questions And Answers

A - David A. Zapolsky {BIO 5884426 <GO>}

(Question And Answer)

A - Unidentified Speaker

Thanks, Andy. We'll now move to our first question, which is what can customers look forward to in the coming years as far as delivery enhancements?

A - Andy Jassy {BIO 15111610 <GO>}

Well, fast, reliable delivery is an enduring priority for us, along with selection of low prices. It always has been. And it's why we've invested so much the last couple of decades in our fulfillment network. And we've always had a strong fulfillment network. But as we expanded so much in the pandemic, remember, we doubled the footprint of our fulfillment centers that we've built in the first 25 years. We doubled it in about 18 months. And then we also built a last mile transportation network the size of UPS, largely in those 18 months as well.

As we did that, we ended up with a much larger network that was different and had a lot more facilities and nodes and associated connections. And as such, it caused us to rethink everything in our fulfillment network. A good example of that is our U.S. fulfillment center network. Historically, we had a national flat network but as we have a lot more facilities and connections, we found that certain sub-optimizations at prior scale, such as not having inventory in a facility close to an end customer, it just got amplified at this new scale, -- this new elbow of the curve and scale.

And so we made the decision to regionalize this network. And what we did was we created eight interconnected regions in smaller geographic areas to better serve customers through lower costs and faster speeds. Each of these regions has broad relevant selection to operate in a largely self-sufficient way with some of the most meaningful and hard work that we had to do coming from optimizing the connections between this large amount of infrastructure.

We rolled out this regional network in Q1 and we're really pleased with the results thus far. We've got about 15% reduction in the distance items are traveling from fulfillment centers to customers, 12% decrease in touches or how often a package is handled, 76% of the products customers are ordering are now in facilities within their region versus 62% a year ago. That's a big difference in a short amount of time. And what we're finding is that customers are using same day delivery at an increased rate, about 50% year-over-year. And in the first quarter alone, we saw it reaching nearly 26 million customers doing same day delivery. So shorter distances traveled means faster delivery speed, lower costs and better results for the environment. And we're on track this year in 2023 for our fastest shipping speeds ever for Prime customers.

Now, you're seeing us continue to find ways to make it easier and easier for customers to get packages quicker. We have one day delivery now on more than 20 million items and growing. Same day delivery, which gets products to customers in just a matter of hours, is available in 90 metro areas with selection of hundreds of thousands of items.

So we're not close to being done working on improving the speed of delivery for customers because we know it matters to them so much. So a lot more coming. Your next question is, what is Amazon doing in AI?

Well, we've been using machine learning and AI at Amazon for 25 plus years, and it's been really deeply embedded into every business in which we operate. And you can see it all over Amazon. If you look at the personal recommendations you see in our e-commerce business, that comes from AI.

If you look at the pick paths that our associates and our fulfillment centers pick items, that -- those are AI algorithms. You look at Prime Air or drones, or if you look at our

Go Stores, or if you look at Alexa, those are all fueled by machine learning and AI. And so it has been a very big part of our heritage for 25 years.

Now, over the last nine months or so, you've seen this new inflection point for AI with the advent of generative AI. And it's just made it much more accessible to a lot more people. And we're quite excited about it as well. I think it's still very early days in generative AI, but moving quickly. And we see it as having three key layers. At the bottom layer, every company that does generative AI is going to train models and it's going to run inference or predictions from those models on compute. And the key factor in that compute is going to be the chips that's in that compute.

And to date, there's been pretty significant scarcity in the amount of in the capacity of chips out there and in the options for customers on what they could run chip wise there. And so it's why we've been investing for several years in our AWS business in building customized machine learning chips. And we have one that's focused just on training that we call Trainium. And we have one that's focused just on inference that's called Inferentia.

And we're on the second versions of both those chips and the price performance combination for those training and inference chips is very compelling relative to alternatives out there. So we're very optimistic that a lot of these models will be trained on these AWS training and inference chips. Then the middle layer of that stack really is around the large foundational models that people are going to build generative AI on top of. And if you look at these leading models, they take billions of dollars and many years to ultimately train.

And there's going to be relatively few companies that want to pursue that. What most companies tell us they want is they want to use somebody else's very large foundational model and then customize it on their own data, making sure that their own data doesn't leak to the general model, but being able to customize that foundational model with their own data for their own application purposes, and then being able to have all the same capabilities they're used to using in the rest of their technology infrastructure platform.

And that's why we announced Bedrock, which really is foundational models as a service. And so in Bedrock, we will expose some of our own large language models that we've been working on for several years that we call Titan, but we'll also give customers access to other third party foundational models like Anthropics, like Stability AIs, like AI21s, as people will use lots of different models. And they'll be able to use those as the foundation to then customize with their own data with the same security, the same privacy, and all the same platform features they're used to using and running their workloads in AWS that they can run with these Bedrock models as well.

And then that top layer of the generative AI set of solutions is really the applications that you're going to build on top of these foundational models. And there are going to be a lot of these. We think one of the high potential early ones is a code assistant.

And that's why we built CodeWhisperer that allows customers to use natural language to say things like I want to build a video hosting website and then CodeWhisperer generates that code for them to just deploy.

It's a huge game changer with respect to developer productivity. And it's got a lot of early traction, but there will -- we're pursuing lots of applications ourselves inside of Amazon. Every single one of our businesses is using generative AI to reinvent customer experiences and while we'll pursue a number of those applications many more will be built by external companies and developers. And we're quite optimistic that a lot of those applications will be built on top of AWS so it's very early days in generative AI. It's very high potential and we're investing quite a bit in it and expect to be a leader.

A - Unidentified Speaker

Thanks Andy. What can you tell us about the strategy for investing in Kuiper and other new business ventures like it? Are they worthwhile?

A - Andy Jassy {BIO 15111610 <GO>}

Well we think about our big investments with a series of questions that we ask ourselves and the questions we tend to ask ourselves are number one, if we're successful, can it be big and move the needle for Amazon with good return on invested capital returns? Number two, is it being well served today? Number three, do we have a differentiated approach? And number four, do we have some competence in that area? And if not, can we acquire quickly?

And if we like the answers to those questions, then we'll pursue that big investment. And sometimes that process has led to pretty straightforward new areas for us. These were things like getting into other product categories besides books in the early days of Amazon or getting into different international geographies.

But sometimes that process has led to inventions and investments that weren't initially straightforward. And AWS is a good example of that, where there were a lot of people wondering why we were pursuing a technology infrastructure platform when we were really just a retailer and a lot of people questioned internally and a lot of people questioned it externally. But think about what a different company Amazon would be today if we hadn't pursued AWS.

And so Kuiper to me is an example of one that might not have been predicted by people, but it makes a lot of sense when you look at that structure outline. There's over 400 million plus households that today have little to no connectivity or broadband. And that's all capabilities and technology access that we take for granted today. But just imagine what people who can't do so today could do with reliable connectivity, being able to do things like taking online education courses or using financial services or starting their own businesses or doing shopping or enjoying entertainment or just think about businesses and governments that need that broader coverage to improve their operations.

So, Kuiper will change this for many, many people. It will be much more affordable and higher performance than alternatives that are out there today. We're launching two prototype satellites to test the end-to-end communications network this year and then plan to be in beta with commercial customers in 2024. We've released some of the technical details recently, and already consumers, enterprises, and governments are quite excited about us providing Kuiper. So we believe inventions like Kuiper have a chance to change what's possible for many millions of customers and to be a very good business for Amazon.

A - Unidentified Speaker

Your next question is, while Amazon ads is a big revenue driver for Amazon, how do you balance that with ensuring a great customer experience for shoppers?

A - Andy Jassy {BIO 15111610 <GO>}

Customer experience will always be paramount for us. Everything starts with the customer and our strategies and tactics evolve backwards from there. That's always been true and always will be true. Most of our resource and time that we spend in advertising is spent on machine learning algorithms to ensure that the sponsored results people see on search results are relevant to what they're trying to find.

And we track it rigorously and we're constantly refining the algorithms. Advertising, of course, is not new in retail. Retailers have been doing this for many decades, selling shelf space or end caps or placements and circulars. But unlike physical retailers, we can tailor the results to be relevant to what customers are actually searching for, given what we know about buying behaviors.

And because our ads are relevant for customers and much more so than you find in physical retail, customers click on those sponsored links a lot, which means they perform better for brands. And this is a key reason why our ads business is continuing to grow at a good clip, despite the fact that we're in a very challenging time for ads-heavy businesses.

I think, it's also worth noting that we're still in the very early days of working through thoughtful placement in our video, live sports, audio and grocery products. It's just early days for us in advertising we're excited about.

A - Unidentified Speaker

Next a shareholder asks, international is so flaky with volatile currencies and administrative situations. Why are you even playing in that area?

A - Andy Jassy {BIO 15111610 <GO>}

Well, we're pretty excited about our international business. I think if you look at 2022 our international consumer segment was $118 billion in revenue and that growth re-accelerated in Q1 of this year over Q4 of last year. And if you look at our international consumer business, it's a combination of established geographies. These are places like the UK and Germany and Japan and emerging countries that we've launched over the last several years.

Now our established international businesses are big enough at this point that they're not immune from macroeconomic issues. And you could see that over the last year. But if you look at the compound annual growth rates of these established international businesses from 2019 to 2021, they're pretty remarkable. 31% in the UK, 26% in Germany, 21% in Japan. That's pretty unusual.

So, we're optimistic about this -- how those businesses will continue to evolve and grow as we emerge from the current macroeconomic environment. I think, we also have a number of new countries that we've launched over the last several years. And these are places like India or Brazil or Mexico or Australia or lots of different countries in Europe, in the Middle East, in Northern Africa.

And what we find with these new geographies is that it takes a certain amount of fixed investment to get these locales going. And then you need a certain amount of revenue scale where the operating income and margin covers the fixed investment. But we're really liking the trajectory. It looks very much, for the most part, on the same trajectory as what we've seen in the U.S. in our longer-standing established international countries. And we're quite bullish on building a large, profitable international stores business. We're on the right track.

A - Unidentified Speaker

Thanks, Andy. This will be the last shareholder question. I'm curious -- I'm interested in the company's foray into health and think there's tremendous opportunity in service and care. But I'm curious where you are thinking you are going to take this.

A - Andy Jassy {BIO 15111610 <GO>}

Well, healthcare, the healthcare experience across the world, but I'll just start with the U.S., is a pretty rough experience for customers. Most customers are not happy with it. And as such, our customers have been asking us for many years if we would provide a pharmacy solution. And if you think about it, it's not that far an extension from what we do in retail. There's some regulatory pieces that are different, but it has many similarities. And so we launched a pharmacy offering an Amazon pharmacy a few years ago. It's off to a good start. It's growing quickly. And as we've built that business and as customers have gotten used to, to using us in the healthcare space, not surprisingly, they've asked us to help with more issues in their everyday healthcare experiences.

And, if you think about for most customers, if you really want to make a change and a meaningful impact in their healthcare experience, primary care is right in the middle of that experience. And just think about how we've all experienced primary care over the last several decades. I think about telling my grandkids that the way it was, was that you had to call somebody three to four weeks in advance for an appointment, drive 20 minutes to the doctor's office, park, wait in reception for 15 minutes, then get put in an exam room, wait in the exam room, wait in the exam room for a doctor for 10 to 15 minutes, and the doctor comes in, speaks to you for about 5 to 10 minutes, and then you drive 20 minutes to the pharmacy. That -- our grandkids are not going to believe that, that was the way that we got primary care, and it is not going to be the case moving forward. It's just not.

And so, we've been thinking about this for a while, and we were experimenting with a business that we call Amazon Care, which was telemedicine. And we could not believe how much customers liked that customer experience. It turned out that we had the wrong business model for it, which is why we didn't see it moving forward and shut it down. But the Amazon Care experience really opened our eyes to the fact that the experience was not going to -- was not just going to change over time, but that people wanted to change now.

And we came across this company in One Medical who we were just so impressed with. If you look at how strong and how easy to use their digital app is with all of your healthcare information readily available in the app. If you want to have a chat with a medical practitioner, you can easily do so. If you want to have a video conference with a medical practitioner, you can do so.

If you need to come in and see somebody, One Medical has clinics all over the country, you can do so same day or next day very quickly. They -- all the One Medical physical presences have relationships with health service providers in cities. So if you need to see a specialist, you can do so very quickly. And then whatever medication you need, you can use Amazon Pharmacy or another third party pharmacy if you like to get that quickly without having to travel 20 minutes back and forth to the pharmacy.

So that's a very different experience and that's why we became so excited about One Medical and decided to acquire the company. And I think that we believe together in Amazon and One Medical together that we have a chance to meaningfully change the customer experience for so many customers and what they experience every day with healthcare and we're very excited about that.

As that concludes our Q&A, I just want to thank everyone again for joining us today, particularly our long time -- long term shareholders. We appreciate your support and your interest in what we're doing. It means a lot and we appreciate it. Rest assured we're going to continue doing our part in inventing and taking care of our customers, employees and communities to make their lives better and easier. Thank you.