
About Our Supply Chain

Our mission is for our products to be made 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 to Responsible Sourcing

Our standards are derived from the United Nations Guiding Principles on Business and Human Rights, the UN Universal Declaration of Human Rights, the Core Conventions of the International Labour Organization (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. We regularly review our Supply Chain Standards against policies developed by industry associations (such as the [Responsible Business Alliance](#) and the [Consumer Goods Forum](#)) in consultation with external stakeholders including [Nest](#), [Business for Social Responsibility](#), [Impactt Limited](#), and [Verité](#).

Our Sourcing Footprint

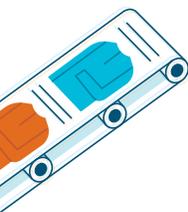
Hundreds of thousands of workers, employed by suppliers around the globe, make our Amazon-branded products. The suppliers that produce Amazon-branded apparel, consumer electronics, food and beverage, and home goods products are shown on our [supply chain map](#), which is updated regularly and is available to download. We believe supply chain transparency is crucial to our approach to human rights due diligence and ensuring worker protections. We publish our 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.

Assessment of Risk

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](#) and [Devices](#) and a curated selection of brands exclusively sold on Amazon. 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 standards through regular on-site inspections and confidential worker interviews.



In 2019, we conducted a total of 4,082 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 2019 were Pre-Production Assessments.**

Ongoing Assessments

Suppliers must submit Amazon-approved assessments on an ongoing basis while producing Amazon products.

- **35% of assessments conducted in 2019 were Ongoing Assessments of active suppliers.**

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.

- **21% of assessments conducted in 2019 were Verification Assessments to verify remediation.**

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- and long-term, that 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.

Supply Chain Standards and Supplier Manual

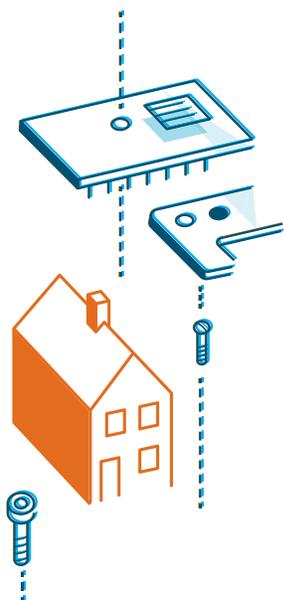
Our mission is for our products to be made in a way that respects human rights and the environment. Our global teams work closely with suppliers to communicate our standards and help suppliers build their capacity to provide safe and respectful working environments.

Supply Chain Standards

We set a high bar for ourselves and our suppliers. Our [Supply Chain Standards](#) detail the requirements and expectations for suppliers, vendors, and service providers throughout our supply chain, and suppliers must commit to these standards as a condition of doing business with us.

Supplier Manual

Our [Supplier Manual](#) 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:



About Our Assessment Results:

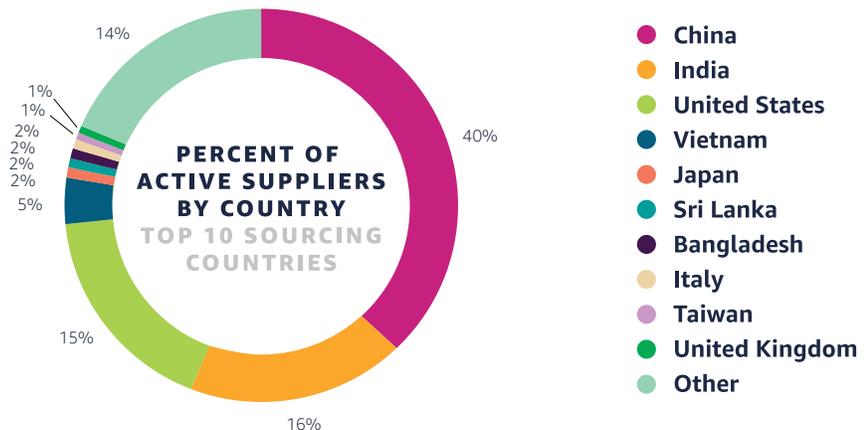
Suppliers are assessed across four main categories: 1) Labor, 2) Health and Safety, 3) Environment, and 4) Ethics. These categories are divided into subcategories, such as non-discrimination, emergency preparedness, hazardous substances, and transparency. Findings within each subcategory are flagged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

Over the last three years, Amazon has focused on setting a high bar for new suppliers and refusing to go to production until suppliers remediate all High level findings identified in our assessments. Since 2017, the proportion of audits with High and Medium level findings on Labor and Health and Safety has decreased (Labor decreased by 15.7 percentage points and Health and Safety decreased by 8.8 percentage points).

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 who 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.

The most common High and Medium level finding in 2019 was the Wages and Benefits subcategory. Examples of findings in this subcategory are: failure to pay overtime at the appropriate overtime rate, wage payments were delayed, or required government deductions have not been properly paid. The second most common finding in 2019 was Emergency Preparedness and Response—for example, a malfunctioning fire detection system or a blocked emergency exit. We are committed to driving improvement in these areas.

Our Supply Chain Across the Globe



Progress in 2019

Beyond individual supplier improvements, in 2019, we invested in programs to address complex regional and systemic issues identified through assessment data, risk assessments, or by external stakeholders:

 **Addressing Wages and Benefits:** Compliance with our standards on wages and benefits persists as a common issue across suppliers in our Responsible Sourcing Program, as evidenced by the frequency of this finding among our suppliers. In 2019, we updated our Supply Chain Standards to include language encouraging suppliers to pay a fair wage and announced that worker wages is one of our key commitments areas as a program. In 2020 and 2021, we will dive deeper in to the root causes of this issue and the actions that Amazon and our suppliers need to take to reduce future findings on wages.

 **Women's Empowerment:** Women have the power to be agents of change in workplaces and society. Ensuring women workers in our supply chain have the resources and information to make choices on their health, their safety, and their finances empowers them to overcome structural and societal disadvantages and improves outcomes for all workers. We have committed to investing in women's empowerment and, in 2019, we began a partnership with the BSR 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 with suppliers in China, Bangladesh, Vietnam, and India. As of June 2020, we reached over 8,700 women, building the capacity of workers and factory management to combat gender-based discrimination in the workplace.

 **Emphasis on Supplier Transparency:** Supplier transparency issues were one of our most common High and Medium severity findings in both 2017 and 2018. Over the last year, we focused on increasing our communication with suppliers through pre-assessment outreach and on-site engagements to explain our standards and expectations of suppliers. We also improved our supplier-facing materials—including publication of a Supplier Manual—detailing our process and the importance of transparency. Building on our leadership principle of Earns Trust, we seek to build solid, trusting relationships with our suppliers over time that lead to better sharing of information.

 **Increased Investment in Health and Safety Programs:** Health and Safety subcategories continue to be one of our most common assessment findings, particularly Emergency Preparedness and Response and Industrial Hygiene. In 2019, we began working with the International Labor Organization's SCORE Program, a lean manufacturing program focused on improving productivity and working conditions in small- and medium-sized manufacturers. We enrolled suppliers in India and China to improve supplier management systems and their ability to effectively and efficiently meet health and safety standards. The program offers training and assistance in implementing improvement plans across five areas: workplace cooperation, health and safety, quality management, clean production, and human resources. In 2020, we will continue to enroll additional suppliers and develop a monitoring and evaluation mechanism for measuring impact on health and safety performance.

 **Responsible Recruitment:** Forced labor is a complex and often hidden crime. Suppliers frequently lack basic awareness of the risks inherent in worker-paid recruitment fees or the importance of a process for responsibly managing migrant worker recruitment. Our standards require suppliers to reimburse in full any fees paid during the recruitment process. We are working to educate our suppliers on the issue, helping them develop the appropriate management systems, and ultimately minimizing the risks of forced labor. In 2020, we developed a Responsible Recruitment Guidebook in collaboration with labor rights nonprofit Verité. This guide provides suppliers with practical strategies to prevent forced labor risks and remediate worker-paid recruitment fees. In 2020, we will launch in-person trainings on responsible recruitment for our suppliers in Malaysia, Taiwan, and Japan. We are also working with the Responsible Labor Initiative to advance industry-wide approaches to ensuring responsible recruitment.

CASE STUDY

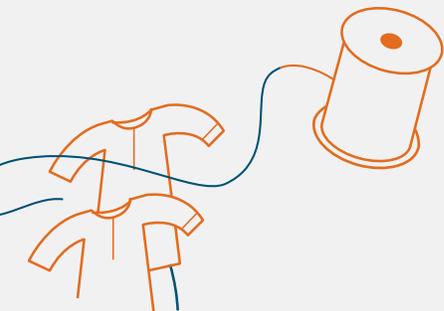
Enhancing Worker Safety and Well-Being in the Bangladesh Garment Industry

Health and safety in Bangladesh factories persists as an issue, particularly in the garment industry. In 2019, we learned that products sold by third-party selling partners in the Amazon Store were potentially linked to factories with unsafe working conditions in Bangladesh. We took immediate action to remind selling partners that Amazon's Supply Chain Standards apply to all products sold on Amazon and that under those standards, Amazon expects all products sold in the Amazon Store or provided to Amazon to be manufactured or produced in safe, healthy, and inclusive work environments.

We issued new guidance specifically prohibiting the selling of products made in factories deemed ineligible under the Bangladesh Accord or Alliance for Bangladesh Worker Safety, which evaluates Bangladesh garment factories for workplace safety. We removed any products connected with such factories from our Amazon Store. We also notified selling partners that we will evaluate all 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.

In addition to engaging third-party selling partners at issue in the allegations, we went further to proactively engage all suppliers manufacturing Amazon-branded products in Bangladesh. We require verification of the safety of building structures and electrical and fire safety issues, and we conduct on-site inspections with certified engineers for the highest risk issues to track closure. We enhanced our pre-sourcing screening process for new Bangladesh suppliers to ensure that adequate building safety equipment and systems are in place as a pre-condition to being approved for Amazon production.

As a way to further support workers in the Bangladesh garment industry, we also invested in the [Amader Kotha Helpline](#) which provides workers throughout the region, including many of Amazon's own suppliers, with a grievance mechanism to report and quickly resolve factory concerns in the ready-made garment sector in Bangladesh.



The following table includes data from our assessments in 2019, including suppliers not currently producing for Amazon.

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

Subcategory	High/Medium Severity
Labor	
Freedom of Association	0.4%
Freely Chosen Employment	3.2%
Humane Treatment	0.1%
Non-Discrimination	0.4%
Subcontractor and Next-Tier Supplier Responsibility	0.1%
Wages and Benefits	40.7%
Worker Grievance/Complaint Mechanism	0.0%
Working Hours	7.9%
Young Workers	0.5%
Ethical Behavior	
Business Integrity	2.3%
Transparency	2.9%
Environment	
Hazardous Substances	0.0%
Pollution Management and Prevention	0.1%
Health and Safety	
Emergency Preparedness and Response	10.5%
Industrial Hygiene	9.5%
Machine Safeguarding	0.1%
Sanitation, Dormitory, and Canteen	2.3%

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 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.

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 nonprofit that assists trafficking victims and survivors. Through the U.S. National Human Trafficking Hotline, Polaris has identified and responded to over 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.

Tech Against Trafficking: Tech Against Trafficking (TAT) is a coalition of technology 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.

Thorn: Thorn, an organization that builds technology to defend children from sexual abuse, leverages AWS architecture and 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 14,000 child sex trafficking victims.

Unseen: Amazon has made a three-year commitment to work with UK modern slavery helpline Unseen, investing in their efforts to provide immediate and long-term support 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 those victims.

OUR GOALS:

100% of Amazon employees who drive trucks complete Truckers Against Trafficking training by the end of 2020.
Launch supplier improvement program focused on responsible recruitment by the end of 2020.

Empowering Women: 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. This includes collaborating with globally recognized programs such as Better Work and Business for Social Responsibility's HERproject. Through our partnership with HERproject, we engage suppliers in China, Bangladesh, Vietnam, and India. As of June 2020, we had reached over 8,700 women with training on health and financial skills, building the capacity of workers and factory management to combat gender-based discrimination in the workplace.

OUR GOAL:

Launch empowerment programs to reach over 25,000 women in our supply chain by 2023.



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 our suppliers to continuously evaluate whether workers earn enough to meet their basic needs and the needs of their family.

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 focused on improving working conditions in the garment industry and making the sector more competitive. By working with suppliers and training workers on their rights, Better Work is able to help workers improve wages over time.

OUR GOAL:

Launch in-depth research into fair wages within our Amazon-branded products supply chains in 2021.

Environmental Protection: Our aim is to ensure that the manufacturing of our products does not cause unnecessary environmental harm, and positively impacts people and communities. 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 impact.

OUR GOAL:

Collect environmental performance data from 200 suppliers by the end of 2021.



Amazon is committed to supporting our suppliers, their workers, and their communities as they are impacted by the COVID-19 pandemic, and we have dedicated over \$1 million in initial investments to support response and recovery efforts in our supply chain.

We are continuing to monitor suppliers for compliance with our Supply Chain Standards and are making necessary modifications to supplier assessment procedures based on internal and external stakeholder recommendations. We are working to balance the need to limit the movement of people and allow suppliers time to support workers and prepare production schedules with the need to have our eyes and ears on the ground.

We have urged suppliers to take the following steps to mitigate risk to workers:

Follow all government safety recommendations before resuming or continuing to manufacture Amazon-branded products and take appropriate steps to ensure safe and clean workplaces.

Avoid ending worker contracts where workers are sick or caring for sick family members.

Ensure monitoring of worker hours and proper overtime notices as factories ramp up production.

We are partnering with organizations providing critical support to suppliers and workers during this devastating pandemic:

- In Bangladesh, we've partnered with the **International Organization for Migration (IOM)** to distribute medical supplies and COVID-19 related resources for front-line doctors, nurses, and medical workers operating in the largest refugee camp in the world. The contribution supports the procurement of lifesaving PPE for 23 IOM-managed health facilities, serving to benefit both refugee and host community populations in the region.
- Amazon is supporting the implementation of **SCORE Training** in 42 factories, which is helping factories plan their production schedule, reorganize production lines, and implement guidelines for more social distance and increased safety. Factories enrolled in the [SCORE program](#) receive support implementing health and safety protocols and providing workers with training on health and sanitation, which has improved the working conditions of 20,000 workers, including 9,000 women.
- As part of our longstanding relationship with BSR's **HERproject**, we helped to launch HERessentials, a new venture that will digitize HERproject's and Empower@Work's learning modules into a six-module Digital Worker and two-module Digital Manager Toolkit curriculum for remote access. The toolkit covers topics like personal hygiene, reproductive health and breastfeeding, and financial planning, and offers local resources on mental health and domestic violence services. The toolkit will be available to 500,000 female workers by 2025 in Bangladesh, China, Ethiopia, India, Kenya, and Vietnam, and will be translated into local languages.



COVID-19

- Amazon partnered with **Nest**, a nonprofit building a hand-worker economy of artisans, to increase global workforce inclusivity, improve women's well-being, and preserve important cultural traditions around the world. As part of this partnership, we have been able to distribute over 100 economic relief grants to artisan businesses across the globe. We were also able to support the Nest's PPE Purchasing initiative—a program that purchased over 200,000 protective masks to be delivered to front-line workers. This program distributed over \$500,000 in economic relief value to 57 businesses, which altogether employed 10,510 skilled artisans.
- We are supporting the **Amader Kotha Helpline**, which provides workers with a grievance mechanism to report and resolve factory concerns in the ready-made garment sector. Our contribution will help support the organization's increased call volumes and the 24/7 factory grievance lines in regions impacted by COVID-19. The Helpline serves as a resource for 600+ factories, 30 of which are Amazon suppliers, reaching 1.5 million workers in Bangladesh, and supporting them in safely transitioning back into the workplace.
- In India, we partnered with **Swasti**—a global nonprofit committed to ensuring access to quality healthcare for workers and those in marginalized communities—to adapt their worker well-being program (Invest4Wellness) to provide support to workers in factories impacted by COVID-19. With our support, Swasti is setting up a worker helpline, developing health protocols for workers to return to work safely, establishing an emergency response team, and providing critical mental health, healthcare, and social entitlement support to workers, their families, and their communities. These services are available to seven factories in our supply chain, reaching 3,500 workers—including 1,400 women—and their families.

Learn more about how we are responding to the COVID-19 pandemic on our [Day One blog](#).

