Teamsters and CtW Investment Group Demand Amazon Come Clean on Workplace Safety Record

Amidst heightened attention under COVID-19 to conditions inside Amazon warehouses and distribution centers, investors appeal 'no-action' decision from SEC

WASHINGTON -- Today, the Teamsters General Fund and the CtW Investment Group released a call on Amazon.com, Inc. (NASDAQ: AMZN)'s board of directors to put up for a vote and support a shareholder proposal, asking the board to issue a report on how the company oversees workplace safety at its own and its contractors' facilities. The request comes after the Securities and Exchange Commission (SEC) allowed Amazon to exclude a shareholder proposal that the two investors had filed to be voted on at the online retailer's annual meeting of shareholders, scheduled for May 27. The investors are appealing the SEC's staff decision to the full Commission today.

"Workplace safety is among our nation's most critical public policy concerns today and central to essential businesses and their employees at this time of crisis," said **Ken Hall, General Secretary-Treasurer of the Teamsters.** "Amazon investors need to know crucial workplace safety data to understand how Amazon is managing this risk for the sake of the company's workers, operations, and the public good. The company's safety and health record was already a cause for concern. The current crisis brings this into even sharper focus."

"Even before the COVID-19 outbreak, workplace safety was a major public health concern and a growing risk at the company. Particularly in light of the outbreak, Amazon should lead on transparency, not hide behind a misguided decision by the SEC staff who seem to have lost touch with the reality of frontline warehouse and grocery workers struggling to serve their communities under increasing threat to their lives," said **Dieter Waizenegger, Executive Director of the CtW Investment Group.** "We will forcefully appeal this decision that enables Amazon to sweep workplace safety issues under the rug."

CtW Investment Group works with pension funds with more than \$250 billion in assets and sponsored by unions with 5 million members. CtW has been an active voice at Amazon, <u>submitting shareholder proposals</u> in past years ranging from board diversity to human capital management issues. The International Brotherhood of Teamsters represents 1.4 million hardworking men and women throughout North America and Puerto Rico. Teamsters affiliated benefit funds have \$100 billion in assets under management across the capital markets.

The shareholder proposal urges Amazon's board of directors to prepare a report on the steps the company has taken to reduce the risk of accidents, including the board's oversight process of safety management, staffing levels, and inspection and maintenance of company facilities and equipment and those of the company's dedicated third-party contractors.

Government and NGO studies reveal Amazon workers faced serious risks to their safety and health. The Bureau of Labor Statistics reported in 2017 that Amazon warehouse workers experienced work related injuries at nearly twice the rate of all private employers. A 2019 report from the Center for Investigative Reporting found that Amazon workers experience serious injuries requiring time off work at a rate more than double those of any employer in the warehousing sector.

Amazon Employees Raise Alarm over Workplace Safety During the Pandemic.

Amazon employees at 13 plants have tested positive for Covid-19, and several facilities have closed as a result. This week, Amazon Whole Food employees staged a 'sick-out' and warehouse employees in New York, Chicago and Detroit protested unsafe working conditions. These incidents are cause for concern for investors who prioritize the sustainability of the company. Amazon has come under fire after documents were leaked exposing the company's plan to smear and retaliate against workers who protested unsafe conditions. Buzzfeed yesterday reported that Amazon employees are being sent home without pay if they feel ill.

Injury rates combined with the lack of disclosure on how the company is dealing with the issue leaves Amazon exposed to legal, regulatory and reputational risks. Shareholders of Amazon, including CtW Investment Group and the Teamsters General Fund, have the right to weigh in on critical corporate decisions that may impact the long-term financial well-being of the company, and therefore returns for the pensioners these groups represent.

The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) issued a warning letter to Amazon in August 2019 for failing to provide adequate medical care in six separate instances despite workers going through the company's onsite care facility – Amcare.

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