

## Responsible Lead Battery Recycling

Whereas,

Amazon operates one of the world's largest data server farm operations, hosting such major data storage consumers as Netflix.<sup>1</sup> Amazon Web Services reportedly is among the three leading companies in the cloud computing market;<sup>2</sup>

Data farms rely on massive numbers of lead batteries for back-up power, which can be hazardous to human health if not recycled properly;

The neurotoxic and developmental impacts of lead have been well-established for decades, leading to global action to eliminate lead in paint and gasoline;

Lead battery production accounts for over 80 percent of global lead consumption and almost all used lead batteries are recycled, regardless of whether they are used in the United States or elsewhere;

The New York Times has reported high community and occupational exposures around lead battery recycling plants in Mexico. Mexico receives 20 percent of the United States' used batteries and smaller quantities are being exported to over 30 additional developing countries;<sup>3</sup>

The North American Commission on Environmental Cooperation under the North American Free Trade Agreement concluded in 2013 the United States has the most stringent overall framework governing lead smelters while Mexico's regulations have significant gaps "furthest from U.S. standards in terms of ... emission controls and requirements."<sup>4</sup>

Lead battery recycling outside the United States endangers public health partly because of a lack of rigorous government controls in most countries. In contrast, new regulations in the United States have prompted investments to reduce emissions from lead battery recycling, although regulators in Los Angeles have recently shut down a battery recycling plant posing excessive environmental and health risks;<sup>5</sup>

IBM reports it recycles lead batteries from its data centers only at IBM-approved facilities within the country where they are generated and is not exporting lead batteries from its U.S. operations;<sup>6</sup>

Proponents believe that poor management of batteries in our company's supply chain can pose reputational and legal risks to our company; and

Proponents believe it is in our company's interest to track the fate of used lead batteries generated from operations to ensure that batteries are properly recycled in appropriately licensed facilities that meet stringent environmental and occupational safety standards.

Therefore be it resolved:

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<sup>1</sup> <http://aws.amazon.com/solutions/case-studies/netflix/>

<sup>2</sup> <http://www.extremetech.com/extreme/161772-microsoft-now-has-one-million-servers-less-than-google-but-more-than-amazon-says-ballmer>

<sup>3</sup> <http://www.nytimes.com/2011/12/09/science/earth/recycled-battery-lead-puts-mexicans-in-danger.html?pagewanted=all>

<sup>4</sup> <http://www.cec.org/Page.asp?PageID=122&ContentID=25463>

<sup>5</sup> <http://articles.latimes.com/2013/may/29/local/la-me-exide-pollute-20130530>

<sup>6</sup> <http://www.ibm.com/ibm/environment/supply/evaluations.shtml>

Shareholders request that the Board of Directors report to shareholders, by December 1, 2015, options for policies and practices Amazon can adopt to reduce the occupational and community health hazards in the company's supply chain from the manufacture and recycling of lead batteries used in its data centers. Such a report would be prepared at reasonable cost and omitting confidential information such as proprietary or legally prejudicial data.

Supporting Statement. Proponents believe a report should address such questions as how the company tracks shipments of used batteries; how to ensure used batteries are not being shipped to recycling facilities with poor pollution and occupational safety controls; and what mechanisms are used to assess recycler performance against environmental and occupational performance standards.