



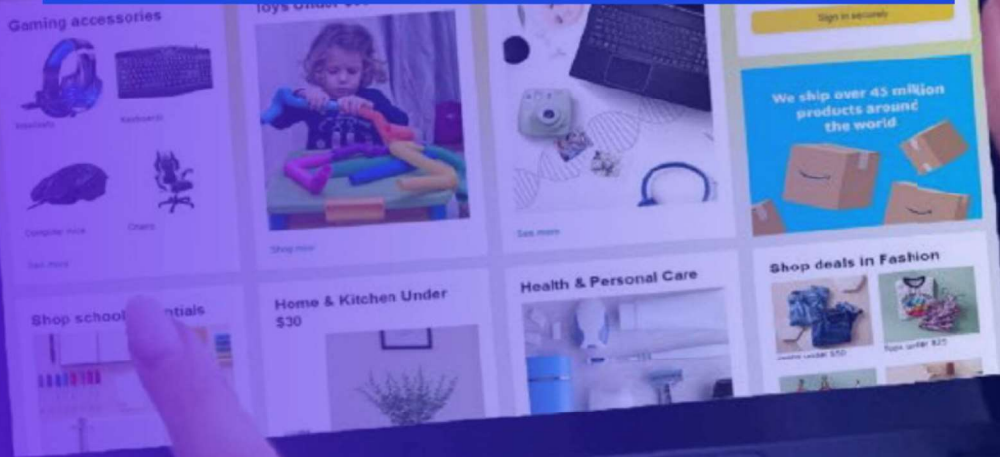
Amazon EU S.à r.l.

# DSA Assurance Report

Independent practitioner's assurance report concerning Regulation (EU) 2022/2065, the Digital Services Act (DSA)

**FINAL**

29 August 2024





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### ***Other information about this report***

This assurance report provides an overview of the objectives, scope, and methodology employed during the assurance engagement. It presents the conclusions, highlighting areas of compliance and any instances of non-compliance that were identified.

The supporting appendices provide further details to support the assurance report. These include documentation of the specific assurance procedures followed, selections of evidence examined, and any additional procedures that support the conclusions drawn in the report.



## Management statement

On 25 April 2023, the European Commission (“**Commission**”) addressed a decision<sup>1</sup> to Amazon Services Europe S.à.r.l. (“**ASE**”) designating the “Amazon Store” as a very large online platform (“**VLOP**”) within the meaning of the Digital Services Act (“**DSA**”)². As a result of a corporate restructuring, ASE merged with Amazon EU S.à.r.l. (“**AEU**”) on 1 August 2024. From this date, the succeeding corporate entity and therefore relevant addressee of the designation is AEU.

As the provider of the Amazon Store to recipients of the service within the European Union, AEU is required by Article 37 DSA to undergo, at least once a year, an independent audit to assess its compliance with the obligations set out in Chapter III of the DSA, and any commitments undertaken pursuant to the codes of conduct referred to in Articles 45 and 46 and the crisis protocols referred to in Article 48 (the “**Specified Requirements**”). In compliance with its Article 37 obligations and with the Commission’s Delegated Regulation laying down rules on the performance of audits for very large online platforms and very large online search engines (the “**Delegated Regulation**”), AEU has undergone such an audit (the “**Audit**”) for the period 28-08-2023 – 30-06-2024 (the “**Evaluation Period**”).

The Audit was conducted over a 24-week period, during which Amazon supported 80 walkthroughs - both onsite as well as offsite. These involved 67 different teams at Amazon, with more than 300 people, and entailed over 4500 hours of work. In addition to these walkthroughs, Amazon made available over 300 documents for the test of design phase and an additional 5000 pieces of evidence to support the test of effectiveness phase of the Audit.

As part of the Audit, we have prepared this management statement.

We, the Management of AEU, are responsible for:

- initially determining the applicability of each of the obligations and commitments during the Evaluation Period (i.e., selecting the Specified Requirements);
- Amazon’s compliance with the Specified Requirements, in all material respects, by designing, implementing, and maintaining systems and manual processes (and related controls) in place to comply with the DSA;
- selecting the Specified Requirements, and making interpretations and developing benchmarks, as needed, to implement the Specified Requirements;
- evaluating and monitoring AEU’s compliance with the Specified Requirements;
- its statement of compliance (the “**Statement**”) with the Specified Requirements;
- having a reasonable basis for its Statement;
- preparing the audit implementation report referred to in Article 37(6) of the DSA, including its completeness, accuracy, and method of presentation;

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<sup>1</sup> Commission Decision of 25.4.2023 designating Amazon Store as a very large online platform in accordance with Article 33(4) of Regulation (EU) 2022/2065 of the European Parliament and of the Council, C(2023) 2746 final.

<sup>2</sup> Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market for Digital Services and amending Directive 2000/31/EC, OJ L277/1.



- evaluating the subject matter in relation to the Specified Requirements and determining compliance;
- making a redacted version of this report public, at the latest, three months after the receipt of the report.

AEU's risk and control processes were designed to meet the applicable Specified Requirements and AEU followed these controls and processes during the Evaluation Period, in all material respects. During the Audit observations are identified for Articles 14(4), 16(2), 16(6), 17(1) to (4), 27(1) to (3), 40(12), 42(2), which we acknowledge.

We further confirm that the Specified Requirements for which there was no occurrence in the Evaluation Period were 18(1), 18(2), 22(1), 24(3), 30(6), 35(1) and 36(1);

We consider all Specified Requirements located within Chapter III of the DSA to be in-scope for this assurance engagement, except for those indicated in Appendix 1.

AEU declares that, to the best of its knowledge and belief, the information given in this statement is true, correct, and complete, and that all the statements expressed are sincere.

August 28, 2024

Date:

Signature: DocuSigned by:  
[Confidential]

Name of authorized representative: 1018AFC56DEA4A7...  
[Confidential]

Organization: Amazon EU S.à.r.l

Position: [Confidential]

Address: 38 avenue John F. Kennedy, Luxembourg, 1855, Luxembourg, Europe



## Appendix 1

### Obligations that are out of scope

Obligation	Reason out of scope
13(1)	Amazon has an establishment in the Union.
13(2)	Amazon has an establishment in the Union.
13(3)	Amazon has an establishment in the Union.
13(4)	Amazon has an establishment in the Union.
13(5)	Amazon has an establishment in the Union.
14(3)	The services provided by Amazon are not primarily directed at minors or predominantly used by them.
15(2)	Not a very large online platform obligation.
15(3)	No implementing acts adopted within the Evaluation Period.
16(3)	Not in scope for the Amazon Store.
17(5)	This obligation is covered under obligation 17(1).
19(1)	Not a very large online platform obligation.
19(2)	Not a very large online platform obligation.
21(1)	The development of the DSA out-of-court dispute settlement bodies process envisaged by Article 21 of the Act is still in its early stages and is a work in progress at EC level. Also, the EC has not yet published a list of appointed out-of-court dispute settlement bodies under Art 21(8).
21(2)	The development of the DSA out-of-court dispute settlement bodies process envisaged by Article 21 of the Act is still in its early stages and is a work in progress at EC level. Also, the EC has not yet published a list of appointed out-of-court dispute settlement bodies under Art 21(8).
21(3)	Not a very large online platform obligation.
21(4)	Not a very large online platform obligation.
21(5)	The development of the DSA out-of-court dispute settlement bodies process envisaged by Article 21 of the Act is still in its early stages and is a work in progress at EC level. Also, the EC has not yet published a list of appointed out-of-court dispute settlement bodies under Art 21(8).
21(6)	Not a very large online platform obligation.
21(7)	Not a very large online platform obligation.
21(8)	Not a very large online platform obligation.
21(9)	Not a very large online platform obligation.
22(2)	Not a very large online platform obligation.
22(3)	Not a very large online platform obligation.



22(4)	Not a very large online platform obligation.
22(5)	Not a very large online platform obligation.
22(6)	Since there are no occurrences of notices from trusted flaggers the development of a process envisaged by Article 22.6 of the Act regarding the submission of a significant number of insufficiently precise, inaccurate or inadequately substantiated notices from a trusted flaggers is at its early stages and a work in progress.
22(7)	Not a very large online platform obligation.
22(8)	Not a very large online platform obligation.
24(4)	Amazon informed the commission prior to the Evaluation Period, therefore not an obligation during the Evaluation Period.
24(6)	Not a very large online platform obligation.
25(3)	No guidelines issued by the Commission during the Evaluation Period.
26(2)	[Confidential]
28(3)	This obligation is covered under obligations 28(1) and 28(2).
28(4)	Not a very large online platform obligation.
29(1)	Not a very large online platform obligation.
29(2)	Not a very large online platform obligation.
32(2)	Contact details are always known to Amazon as consumers (i.e., buyers) of the service need to have an Amazon account, using their email or telephone number, to buy products.
33(1)	Not a very large online platform obligation.
33(2)	Not a very large online platform obligation.
33(3)	Not a very large online platform obligation.
33(4)	Not a very large online platform obligation.
33(5)	Not a very large online platform obligation.
33(6)	Not a very large online platform obligation.
35(2)	Not a very large online platform obligation.
35(3)	No guidelines issued by the Commission during the Evaluation Period.
36(2)	Not a very large online platform obligation.
36(3)	Not a very large online platform obligation.
36(4)	Not a very large online platform obligation.
36(5)	Not a very large online platform obligation.
36(6)	Not a very large online platform obligation.



36(7)	Not a very large online platform obligation.
36(8)	Not a very large online platform obligation.
36(9)	Not a very large online platform obligation.
36(10)	Not a very large online platform obligation.
36(11)	Not a very large online platform obligation.
37(4)	Establishment of audit reports are performed outside the Evaluation Period.
37(5)	Establishment of audit reports are performed outside the Evaluation Period.
37(6)	Drafting of the audit implementation report will be performed outside the Evaluation Period.
37(7)	Not a very large online platform obligation.
40(1)	Delegated Act referred to in Article 40(13) supplementing the Act regulation has not been implemented yet.
40(2)	Not a very large online platform obligation.
40(3)	Delegated Act referred to in Article 40(13) supplementing the Act regulation has not been implemented yet.
40(4)	Delegated Act referred to in Article 40(13) supplementing the Act regulation has not been implemented yet.
40(5)	Delegated Act referred to in Article 40(13) supplementing the Act regulation has not been implemented yet.
40(6)	Not a very large online platform obligation.
40(7)	Delegated Act referred to in Article 40(13) supplementing the Act regulation has not been implemented yet.
40(8)	Not a very large online platform obligation.
40(9)	Not a very large online platform obligation.
40(10)	Not a very large online platform obligation.
40(11)	Not a very large online platform obligation.
40(13)	Not a very large online platform obligation.
42(4)	Transmission of the audit report pursuant to Article 37(4) will be performed outside the Evaluation Period.
42(5)	Transmission of the audit report pursuant to Article 37(4) will be performed outside the Evaluation Period.
43(1)	Not a very large online platform obligation.
43(2)	Not a very large online platform obligation.
43(3)	Not a very large online platform obligation.
43(4)	Not a very large online platform obligation.
43(5)	Not a very large online platform obligation.
43(6)	Not a very large online platform obligation.



43(7)	Not a very large online platform obligation.
44(1)	Not a very large online platform obligation.
44(2)	Not a very large online platform obligation.
45(1)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
45(2)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
45(3)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
45(4)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
46(1)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
46(2)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
46(3)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
46(4)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
47(1)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
47(2)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
47(3)	No Codes of Conduct have been recognized under the regulatory framework of the Act during the Evaluation Period.
48(1)	No Crisis Protocols have been recognized under the regulatory framework of the Act during the Evaluation Period.
48(2)	No Crisis Protocols have been recognized under the regulatory framework of the Act during the Evaluation Period.
48(3)	No Crisis Protocols have been recognized under the regulatory framework of the Act during the Evaluation Period.
48(4)	No Crisis Protocols have been recognized under the regulatory framework of the Act during the Evaluation Period.
48(5)	No Crisis Protocols have been recognized under the regulatory framework of the Act during the Evaluation Period.

### Obligations that are partially in-scope

Obligation	Reason partially in-scope
22	The Commission first published the information referred to in Article 22(4) for a trusted flagger in a publicly available database on 19 April 2024. The Evaluation Period for Article 22 therefore runs from 19 April 2024 to 30



	June 2024 (the "Article 22 Evaluation Period"). During the Article 22 Evaluation Period, there were two designated trusted flaggers
24(5)	The Commission's transparency database has been live since 25 September 2023. The Evaluation Period for Article 24(5) therefore runs from 25 September 2023 to 30 June 2024.
39	Article 39 was the subject of an Order of the President of the General Court, which granted ASE interim measures suspending application of Article 39 of the DSA, which were subsequently dismissed. The Evaluation Period for Article 39 therefore runs from 16 April 2024 to 30 June 2024

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# Independent practitioner's assurance report concerning Regulation (EU) 2022/2065, the Digital Services Act (DSA)

To: Management of Amazon EU S.à r.l.

## Scope

We have been engaged by Amazon EU S.à r.l. (hereinafter: Amazon) to perform a 'reasonable assurance' engagement, as defined by International Standards on Assurance Engagements ('ISAE 3000 [Revised]') and the Commission Delegated Regulation (EU) supplementing Regulation (EU) 2022/2065 of the European Parliament and of the Council (the 'DSA' or 'Act'), by laying down rules on the performance of audits for very large online platforms and very large online search engines ('Delegated Regulation').

The purpose of the engagement is to evaluate Amazon's management statement (its 'Statement') on the systems and processes implemented to comply with the obligations in the Act and to opine whether, in accordance with Article 37 of the Act, the systems and processes in place of their core platform service 'Amazon Store' (hereinafter: 'the Store') (collectively, the 'Subject Matter') were in compliance with each applicable obligation and commitment referred to in Article 37(1)(a) of the Act (the 'Audit Criteria') and the benchmarks provided by Amazon (together, the 'Specified Requirements') during the period from 28 August 2023 through 30 June 2024 (the 'Evaluation Period'). Each applicable obligation and commitment is defined at the sub-article level.

## Audit Opinion

Under Article 37(4)(g) of the Act, the conclusions on compliance with the Specified Requirements, individually and in the aggregate must be phrased as '**Positive**', '**Positive with Comments**', or '**Negative**'. Article 8(6) of the Delegated Regulation requires the auditing organization to determine the overall opinion to be either:

- a) '**Positive**' if the auditing organization has reached a '**Positive**' audit conclusion for all of the Specified Requirements;
- b) '**Positive with comments**' if the auditing organization has reached at least one conclusion that is '**Positive with comments**' for a Specified Requirement and has not reached a '**Negative**' conclusion for any of the Specified Requirements;
- c) '**Negative**' if the auditing organization has reached a '**Negative**' conclusion for at least one of the Specified Requirements.

Furthermore, Article 8(8) of the Delegated Regulation requires an explanation for individual Specified Requirements where an opinion was not able to be reached.

For each applicable Specified Requirement, refer to the conclusions detailed in [Appendix 1](#).

### ***Our Negative opinion (Qualified)***

In our opinion, except for the effects of the matters described below, Amazon complied with the applicable Specified Requirements during the Evaluation Period, in all material respects. This opinion equates to a '**Negative**' conclusion under Article 8(1) of the Delegated Regulation and a 'Qualified' conclusion as per the ISAE 3000 [Revised].

### ***Basis for Negative opinion (Qualified)***

We have expressed our conclusions for a total of 82 Specified Requirements. Our examination disclosed conditions that resulted in non-compliance above the audit materiality threshold, each indicated as '**Negative**' within [Appendix 1](#) and summarized below:

- 4 Specified Requirements that were **not complied** with:
  - *Article 27(1)* – We identified that the distinction between main and non-main parameters is not well-defined in the Terms and Conditions. We identified that Amazon could not provide us with

sufficient evidence to demonstrate the completeness and accuracy of the recommender systems, the main or non-main parameters and on the functionality to modify or influence those main parameters presented in their Terms and Conditions during the Evaluation Period.

- *Article 27(2)* – We identified that Amazon could not provide us with sufficient evidence to support whether the criteria presented in their Terms and Conditions during the Evaluation Period are most significant in determining the information suggested to the recipient of the service through the recommender systems; and whether the reasons presented for the relative importance of the parameters are complete and accurately presented during the Evaluation Period.
- *Article 27(3)* – We identified that Amazon could not provide us with sufficient evidence to support whether the preferred option to select and modify the relative order of information presented via the ‘Sort By’ function was operating effectively throughout the Evaluation Period.
- *Article 40(12)* – Amazon informed us that they do not provide researchers access to specific processes, tools, or infrastructure (e.g., APIs) to access data that is publicly accessible in Amazon’s Store for the purposes of this obligation. Furthermore, despite the fact that researchers may access all publicly accessible data on Amazon’s Store (the publicly accessible data relevant to assessing the risks outlined in Article 34 of the DSA are not contingent upon registration with Amazon, or the nature of a specific account) and may use manual or automated data access techniques (e.g., scraping), Amazon Conditions of Use prohibit the use of data mining, robots or similar data gathering and extraction tools.
- 8 Specified Requirements that were **partially complied** with:
  - *Article 14(4)* – As we identified observations for obligations 16(6), 17(1) and 17(3), automatically the controls to support the control objective to apply and enforce the restrictions referred to in Article 14(1) were not operating effectively throughout the Evaluation Period.
  - *Article 16(2)* – We identified that individuals or entities can’t notify Amazon about the presence of illegal content via the notice intake mechanism on the Store, exclusively by automated means (i.e., anomalously) when the illegal content involves one of the offences referred to in Articles 3 to 7 of Directive 2011/93/EU, since a name and e-mail address is required. Despite that Amazon informed us about the option for individuals or entities to contact Customer Support by telephone to report notices anonymously, Amazon could not provide us with sufficient audit evidence to evaluate the implementation and operating effectiveness of this option.
  - *Article 16(6)* – We identified, as part of our random selection, specific instances where Amazon did not meet the requirements detailed in the specific standard operating procedures (SOP) and benchmarks. Our observations do concern the following: a) the way in which the decision communicated was not in compliance with the SOP; b) the decision was not made timely; and c) the decision was communicated in a language other than the language used to submit the notice.
  - *Article 17(1) to 17(4)* – We identified, as part of our random selection, specific instances where Amazon did not provide legal grounds for the restrictions imposed and/or information on the use of automated means in the decision process. Also, we were informed by Amazon that they could not provide us with sufficient and appropriate audit evidence for a part of the selected instances.
  - *Article 42(2)* – We identified that Amazon did not distinguish the human resources dedicated to content moderation per each applicable language of the Member States in their transparency reports, but instead did it by Store. This is in contradiction with KPMG’s interpretation of Article 42(3)(a). Furthermore, the breakdown of indicators of accuracy at Amazon is currently per Store. This is in contradiction with KPMG’s interpretation of Article 42(3)(c) that requires the breakdown by each applicable official language of the Member States.

Furthermore, 70 Specified Requirements resulted in a ‘**Positive**’ or a ‘**Positive with comments**’ conclusion.



### ***We conducted our engagement in accordance with the following standards***

We conducted our engagement in accordance with the NOREA Directive 3000A 'Assurance-opdrachten door IT-auditors (attest-opdrachten)' (Assurance engagements by IT auditors [attest engagements]), as issued by NOREA, the IT Auditors Association in the Netherlands, as well as the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 [Revised]'); the Commission Delegated Regulation (EU) supplementing Regulation (EU) 2022/2065 of the European Parliament and of the Council by laying down rules on the performance of audits for Very Large Online Platforms (VLOP) and Very Large Online Search Engines (VLOSE) dated 20 October 2023; and the terms in the engagement letter as agreed with Amazon on 26 January 2024.

We planned and performed our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter is in compliance with the Specified Requirements and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We have complied with the 'Reglement Gedragscode Register IT-Auditors' (Code of Ethics) of NOREA, the IT Auditors Association in the Netherlands, and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants including International Independence Standards, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

### **Outlining the scope of our examination**

Other than as described in the first paragraph of this report, which sets out the scope of our engagement, we did not perform assurance procedures on Amazon's compliance with codes of conduct and crisis protocols (referred to in Article 37(1)(b) of the Act), because the requirement for Amazon to comply with such obligations did not exist during the Evaluation Period, and, accordingly, we do not express an opinion on this information. We also did not perform assurance procedures on Amazon's compliance with the obligations listed in Appendix 1 of Amazon's Statement.

Furthermore, there have been no occurrences during the Evaluation Period for the following obligations: 18(1), 18(2), 22(1), 24(3), 30(6), 35(1) and 36(1). We only assessed the design of processes, systems, and controls, and we did not perform any test procedures on the implementation and operating effectiveness for the obligations.

We are also not responsible for Amazon's interpretations of, or compliance with, laws, statutes, and regulations (outside of the Specified Requirements) applicable to Amazon in the jurisdictions within which Amazon operates; accordingly, we do not express an opinion or other form of assurance on Amazon's compliance or legal determinations.

Amazon's management response included per obligation in [Appendix 1](#) was prepared independently by Amazon, and, accordingly, we express no opinion on it.

The information that will be included in Amazon's audit implementation report as required following Article 37(6) will not be subject to the procedures applied in our engagement, and, accordingly, we express no opinion on it.

### **Inherent limitations**

The services in the digital sector and the types of practices relating to these services can change quickly and to a significant extent. Therefore, projections of any evaluation to future periods are subject to the risk of changes.

The selected audit procedures depend on the service auditor's judgment, including the assessment of the risk that controls are not suitably designed or operating effectively, and are designed to obtain with reasonable assurance that the Specified Requirements will be achieved by means of the systems, processes, and controls.



Because of their nature, controls at an organization may not prevent, or detect and correct, all errors or omissions. There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention of controls. Because of their nature, controls may not always operate effectively to provide reasonable assurance that the Specified Requirements are met.

Our assurance engagement was limited to performing audit procedures on those aspects of Amazon's algorithmic systems that are relevant to complying with the Specified Requirements. This did not include all of the algorithmic systems that Amazon operates nor all aspects of the algorithmic systems for which we performed audit procedures. Algorithms may also not always operate consistently or at an appropriate level of precision to achieve their intended purpose. We do not express an opinion or any other form of assurance on the design, operation and monitoring of the algorithmic systems, except on those aspects of Amazon's algorithmic systems relevant to complying with the Specified Requirements.

Performing an audit risk assessment is a judgmental process. It is also often conducted at a point in time and cannot always anticipate risks arising from new or unprecedented events for which there is little or no historical information.

## Restricted Users and purpose

This report is intended solely for the information and use of Amazon, and for the information of the European Commission (the 'Commission') and the Digital Services Coordinator of Luxembourg (i.e., 'Autorité de la concurrence') (collectively, the 'Specified Parties'), for assessing Amazon's compliance with the Specified Requirements and is not intended to be, and should not be, used and/or relied upon by anyone other than these Specified Parties or for other purposes.

As a result, the information in this report may not be suitable for another purpose. Any other party that obtains a copy and chooses to rely on it in any capacity does so at its own risk. KPMG accepts no responsibility or liability for the use of this report other than for the purpose for which it has been prepared and accepts no responsibility or liability to other parties than Amazon, the Commission, and the Digital Services Coordinator of Luxembourg (i.e., 'Autorité de la concurrence').

## Amazon's responsibilities

The management of Amazon is responsible for:

- initially determining the applicability of each of the obligations and commitments during the Evaluation Period (i.e., selecting the Specified Requirements);
- Amazon's compliance with the Specified Requirements, in all material respects, by designing, implementing, and maintaining systems and manual processes (and related controls) in place to comply with the Act;
- selecting the Specified Requirements, and making interpretations and developing benchmarks, as needed, to implement the Specified Requirements;
- evaluating and monitoring Amazon's compliance with the Specified Requirements;
- its Statement of compliance with the Specified Requirements;
- having a reasonable basis for its Statement;
- preparing the Audit Implementation report referred to in Article 37(6) of the Act, including the completeness, accuracy, and method of presentation;
- evaluating the Subject Matter in relation to the Specified Requirements and for determining compliance; and
- making a redacted version of this report public, at the latest, three months after the receipt of the report.



This responsibility includes establishing and maintaining internal controls, maintaining adequate records, such that it is free from material misstatement, whether due to fraud or error.

## Our responsibilities

Our responsibility is to:

- plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, Amazon complies with each of the Specified Requirements as determined by Amazon;
- evaluate Amazon's Statement;
- form an independent opinion on whether Amazon is in compliance with each of the Specified Requirements and all of them in aggregate, based on the procedures we have performed and the evidence we have obtained;
- express our conclusions for each of the Specified Requirements and our opinion to Amazon; and
- provide Amazon with recommendations for each of the Specified Requirements where the audit opinion is not 'Positive'.

We apply the 'Reglement Kwaliteitsbeheersing NOREA' (RKBN, Regulations for quality management systems) as well as the International Standard on Quality Management 1 (ISQM 1) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

## Description of procedures performed

Our work to assess Amazon's compliance with the Specified Requirements during the Evaluation Period included:

- obtaining an understanding of the characteristics of the services provided by Amazon in order to perform our audit risk analysis;
- evaluating the appropriateness and completeness of the Specified Requirements applied and their consistent application by means of an audit risk assessment;
- obtaining an understanding of the systems and processes implemented to comply with the Act, including obtaining an understanding of the internal control environment relevant to our assurance engagement;
- identifying and evaluating whether Amazon's Statement of compliance with the Specified Requirements is incomplete and inaccurate, whether due to fraud or error, and designing and performing further assurance procedures responsive to those risks;
- obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusions and our opinion; we collected evidence between 26 January 2024 and 28 August 2024; and
- identifying recommendations for each of the Specified Requirements where the audit opinion is not 'Positive'.

More details concerning the methodologies and the test procedures that we have applied are included in [Appendix 2](#).

The specific test procedures we performed, along with the nature, timing, and results of those tests, are listed in the accompanying [Appendix 1](#). Additionally, our summary of the audit risk analysis pursuant to Article 9 of the Delegated Regulation, including the assessment of inherent, control and detection risk for each obligation, is included in [Appendix 5](#).

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for a **'Negative'** opinion (Qualified).



Type text here

Amstelveen, 29 August 2024

KPMG Advisory N.V.

**Electronically signed by:**

Koen Klein Tank  
August 29 2024 9:48 AM +02:00



Koen Klein Tank MSc RE

Partner

## **Appendices to the Independent practitioner's assurance report**

[Appendix 1](#) – Conclusions and test procedures per obligation

[Appendix 2](#) – Test procedures, sampling methodology and general IT controls (GITC)

[Appendix 3](#) – Template for the audit report referred to in Article 6 of the Delegated Regulation

[Appendix 4](#) – Written agreement between Amazon and KPMG

[Appendix 5](#) – The audit risk analysis

[Appendix 6](#) – Documents attesting that we complied with the obligations laid down in Article 37(3)

[Appendix 7](#) – Definitions

## Appendix 1 – Conclusions and test procedures per obligation

### Section 1 – Provisions applicable to all providers of intermediary services

<b>Obligation:</b> 11(1)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to designate a single point of contact to enable Amazon to communicate directly by electronic means, with Member States' authorities, the Commission and the Board referred to in Article 61 of the Act.  <b>Benchmark(s) used as provided by Amazon:</b> - <i>Directly</i> : without intermediaries	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:           <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that Amazon designates a single point of contact to enable them to communicate directly, by electronic means, with Member States' authorities, the Commission, and the Board.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:           <ul style="list-style-type: none"> <li>• inquired with control owners;</li> <li>• inspected communication in which Amazon informed the Commission about the email address to communicate with their single point of contact;</li> <li>• inspected that the email address to communicate with the single point of contact designated by Amazon was implemented and operating from the beginning of the compliance period;</li> <li>• inspected that it would be possible for Member States' authorities, the Commission, and the Board to communicate 'directly' with Amazon;</li> <li>• observed that the email address inbox was monitored during the Evaluation Period.</li> </ul> </li> <li>4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.</li> </ol>		
<b>Changes to the audit procedures and/or systems and functionalities during the audit:</b> N/A		

<b>Obligation:</b> 11(2)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall make public the information necessary to easily identify and communicate with Amazon's single point of contact and ensuring this information is easily accessible and kept up to date.  <b>Benchmark(s) used as provided by Amazon:</b> <ul style="list-style-type: none"> <li>- <i>Easily accessible</i>: set out in a specific letter sent to the Digital Service Coordinator.</li> <li>- <i>Easily identifiable</i>: set out in a specific letter sent to the Digital Service Coordinator.</li> </ul>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon makes public the information necessary to easily identify and communicate with their single point of contact.
  - Controls provide reasonable assurance that Amazon ensures that the information is easily accessible and kept up to date.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected that Amazon informed the Digital Service Coordinators (i.e., Member States' authorities) about the email address of the single point of contact to communicate with their single point of contact;
  - inspected that the information provided is 'easily accessible' and 'easily identifiable' and identified that this was appropriate to meet the Specified Requirements.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 11(3)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to specify the official language or languages of the Member States that, in addition to a language broadly understood by the largest possible number of Union citizens, can be used to communicate with Amazon's single points of contact, and which shall include at least one of the official languages of the Member State in which Amazon has its main establishment or where its legal representative resides or is established.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon specifies the official language or languages of the Member States that, in addition to a language broadly understood by the largest possible number of Union citizens, can be used to communicate with their single points of contact, and which shall include at least one of the official languages of the Member State in which the provider of intermediary services has its main establishment or where its legal representative resides or is established.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected communication in which Amazon specifies to the Commission and the Digital Service Coordinators the languages in which to communicate with their single point of contact;
  - observed that the languages that can be used for communication are English, French, and German and that these are appropriate to meet the Specified Requirements.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 12(1)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to designate a single point of contact to enable recipients of the service to communicate directly and rapidly with them, by electronic means and in a user-friendly manner, including by allowing recipients of the service to choose the means of communication, which shall not solely rely on automated tools.  <b>Benchmark(s) used as provided by Amazon:</b> <ul style="list-style-type: none"> <li>- <i>Directly and rapidly:</i> without intermediaries or excessive waiting or postponement.</li> <li>- <i>User friendly:</i> easily understandable and accessible to users.</li> </ul>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon designates a single point of contact to enable recipients of the service to communicate directly and rapidly with them, by electronic

means and in a user-friendly manner, including by allowing recipients of the service to choose the means of communication, which shall not solely rely on automated tools.

3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - observed that the 'Seller Central Help Center' and the 'Customer Service Help Center' were designated as the single point of contact for sellers and buyers to communicate with Amazon;
  - inspected, through one instance, the process and technical functionalities for recipients of the service to communicate, directly and rapidly, in a user-friendly manner by using electronic means (the functionalities of the 'Seller Central Help Center' and 'Customer Service Help Center'), with the single point of contact;
  - observed, by assessing the code configuration, that the system functionalities to communicate with the single point of contact designated by Amazon were in place from the beginning of the compliance period;
  - inspected system functionalities and identified that the ways of communication do not solely rely on automated tools, as multiple options are available, including email, chat, and phone.
4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the 'Seller Central Help Center' and 'Customer Service Help Center' functionalities to communicate with the single point of contact were operating effectively throughout the Evaluation Period.
5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 12(2)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to make public the information necessary for recipients of the service to easily identify and communicate with their single point of contact and ensuring this information is easily accessible and kept up to date.  <b>Benchmark(s) used as provided by Amazon:</b> - <i>Easily accessible</i> : within five clicks from every page.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon makes public the information necessary for the recipients of the service to easily identify and communicate with their single point of contact.
  - Controls provide reasonable assurance that Amazon ensures that this information is easily accessible and kept up to date.

3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected, through one instance, the process and technical functionalities of the 'Seller Central Help Center' and the 'Customer Service Help Center' and confirmed that these are easily accessible, as they are both key features that are accessible via the main online interface ('Customer Support button');
  - inspected, by assessing the code configuration, that the 'Seller Central Help Center' and the 'Customer Service Help Center' were in place from the beginning of the compliance period;
  - observed that monitoring is in place to ensure that the information presented in the 'Seller Central Help Center' and 'Customer Service Help Center' is up to date.
4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the 'Seller Central Help Center' and 'Customer Service Help Center' functionalities to communicate with the single point of contact were operating effectively throughout the Evaluation Period.
5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Obligation:**  
14(1)

**Specified Requirements:**

**Audit criteria:**

Processes and controls are appropriately designed and operate effectively to include information on any restrictions that Amazon imposes in relation to the use of their service in respect of information provided by the recipients of the service, in their Terms and Conditions. That information shall include information on any policies, procedures, measures, and tools used for the purpose of content moderation, including algorithmic decision-making and human review, as well as the rules of procedure of their internal complaint-handling system. It shall be set out in clear, plain, intelligible, user-friendly, and unambiguous language, and shall be publicly available in an easily accessible and machine-readable format.

**Benchmark(s) used as provided by Amazon:**

- *Clear, plain, intelligible, unambiguous, user-friendly language:* succinct, straightforward, and easily understandable language.
- *Easily accessible:* displayed in the footer of the Store and accessible within one step from every page.
- *Terms and Conditions relevant for this obligation:* the 'Amazon Europe Services Business Solutions Agreement' and the 'Conditions of Use'. Amazon considers the following hyperlinked pages to be in scope for the 'Conditions of Use': Finding products in the Amazon Store, Notices and Procedures for Making Claims of Rights Infringements, and Report an Issue with a Product, Content, or Product Page.

**Materiality threshold:**

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that the Terms of Service as described under the 'Benchmark(s) used as provided by Amazon' are in scope for this obligation.
2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that the Terms and Conditions are reviewed to confirm they include information on (i) restrictions that they impose in relation to the use of their service in respect of information provided by the recipients of the service; (ii) any policies, procedures, measures and tools used for the purpose of content moderation; (iii) rules of procedure of their internal complaint-handling system; and are written in clear, plain, intelligible, user-friendly and unambiguous language and are publicly available in an easily accessible and machine-readable format, including a concise Terms and Conditions summary.
  - Controls provide reasonable assurance that the Amazon content style guide provides linguistic guidelines for the localization and translations of customer service content into the relevant EU language. The guidance outlines instructions for style, tone of voice, grammar, and punctuation. It aims to ensure that content for end-users is easy to understand, including for users who may not be familiar with topics. The guidance is communicated as it evolves, with users required to use the most recent version.
  - Controls provide reasonable assurance that [Confidential] reviews the content from an accessibility point of view considering the 'accessibility best practices' available, to ensure content accessibility. [Confidential] updates the content in the agreements system which requires legal approval before it is published on the website to recipients in the Store.
  - Controls provide reasonable assurance that the agreements system stores Terms and Conditions, and publishes these on the websites, apps, or devices via integrated APIs in the machine-readable format HTML. Terms and Conditions in the agreements system must have one or more binding translations (e.g., the legally enforceable language for the marketplace).
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected policies and standard operating procedures related to the review of the Terms and Conditions and the 'styling and publishing' of these, and identified that these are appropriate to meet the Specified Requirements;
  - inspected, by assessing the changelog, that the 'Conditions of Use' and the 'Amazon Services Europe Business Solutions Agreement' were in place from the beginning of the compliance period;
  - extracted the changes for both the 'Conditions of Use' and the 'Amazon Services Europe Business Solutions Agreement' and identified that two changes occurred during the Evaluation Period to the 'Amazon Services Europe Business Solutions Agreement'; and that no changes were made to the 'Conditions of Use';
  - inspected, for both changes to the 'Amazon Services Europe Business Solutions Agreement', that Amazon followed its standard operating procedure, including that the changes are approved by senior Legal management via an approval portal and that the guidance related to the styling and publishing were followed including the review by [Confidential], thereby ensuring that the agreements are set out in clear, plain, intelligible, unambiguous, user-friendly language;
  - observed that the 'Conditions of Use' and the 'Amazon Services Europe Business Solutions Agreement' are easily accessible, as they are accessible from the main page of the Store/Seller Central, following the benchmark as provided by Amazon and documented above;
  - observed that the 'Conditions of Use' and the 'Amazon Services Europe Business Solutions Agreement' are presented in a machine-readable format (i.e., HTML).
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 14(2)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to inform the recipients of the service of any significant change to the Terms and Conditions.  <b>Benchmark(s) used as provided by Amazon:</b> <ul style="list-style-type: none"> <li>- <i>Significant change:</i> changes that could directly impact the ability of customers and/or sellers to make use of the Store.</li> <li>- <i>Terms and Conditions relevant for this obligation:</i> the 'Amazon Europe Services Business Solutions Agreement' and the 'Conditions of Use'. Amazon considers the following hyperlinked pages to be in scope for the 'Conditions of Use': Finding products in the Amazon Store, Notices and Procedures for Making Claims of Rights Infringements, and Report an Issue with a Product, Content, or Product Page.</li> </ul>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that the Terms of Service as described under the 'Benchmark(s) used as provided by Amazon' are in scope for this obligation.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that recipients are informed of significant changes to the Terms and Conditions.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected the version history of the changes to the 'Conditions of Use', including underlying hyperlinked pages, and identified that no changes occurred in the Evaluation Period that were considered as significant following Amazon's benchmark;
  - inspected the version history of the changes to the 'Amazon Services Europe Business Solutions Agreement' and identified two changes in the Evaluation Period that were both considered as significant following Amazon's benchmark;
  - inspected for both changes to the 'Amazon Services Europe Business Solutions Agreement' whether sellers were informed and identified that the changes were communicated to the sellers, by means of an e-mail, prior to the changes becoming effective.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 14(4)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall act in a diligent, objective	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not
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	<p>and proportionate manner in applying and enforcing the restrictions referred to in Article 14(1), with due regard to the rights and legitimate interests of all parties involved, including the fundamental rights of the recipients of the service, such as the freedom of expression, freedom and pluralism of the media, and other fundamental rights and freedoms as enshrined in the Charter.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Terms and Conditions relevant for this obligation: the 'Amazon Europe Services Business Solutions Agreement' and the 'Conditions of Use'. Amazon considers the following hyperlinked pages to be in scope for the 'Conditions of Use': Finding products in the Amazon Store, Notices and Procedures for Making Claims of Rights Infringements, and Report an Issue with a Product, Content, or Product Page.</i></li> </ul>	<p>operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
<p><b>Conclusion:</b></p> <p><b>Negative</b> – In our opinion, except for the effects of the material non-compliance described in the following paragraph, the Specified Requirements are met during the Evaluation Period, in all material respects.</p> <p><b>Reason(s) for the conclusion:</b></p> <p>As we identified observations for obligations 16(6), 17(1) and 17(3), automatically the controls to support the control objective to apply and enforce the restrictions referred to in Article 14(1) were not operating effectively throughout the Evaluation Period.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that the Terms of Service as described under the 'Benchmark(s) used as provided by Amazon' are in scope for this obligation.</li> <li>2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that Amazon acts in a diligent, objective and proportionate manner in applying and enforcing the restrictions referred to in Article 14(1), with due regard to the rights and legitimate interests of all parties involved, including the fundamental rights of the recipients of the service, such as the freedom of expression, freedom and pluralism of the media, and other fundamental rights and freedoms as enshrined in the Charter.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objective above and identified that, except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> <li>• inquired with control owners and were informed that the controls supporting the control objective above are controls related to the following: Articles 16(6), 20(4), 23(3), 17(1) and 17(3);</li> <li>• performed audit procedures for Articles 16(6), 20(4), 23(3), 17(1) and 17(3) and determined that the controls were sufficiently designed and implemented; also, we did identify that the controls supporting the control objectives of the following Articles operated effectively throughout the Evaluation Period: 20(4) and 23(3).</li> </ul> </li> </ol> <p><b>Changes to the audit procedures and/or systems and functionalities during the audit:</b></p> <p>N/A</p>		
<p><b>Recommendations on specific measures:</b></p> <p>Please refer to the recommendations provided for obligations 16(6), 17(1) and 17(3).</p>	<p><b>Recommended timeframe to implement specific measures:</b></p> <p>Please refer to the recommendations provided for obligations 16(6), 17(1) and 17(3).</p>	

**Management comments:**

We will consider implementing KPMG's recommendations on specific measures included into the referenced articles.

**Obligation:**

14(5)

**Specified Requirements:**

**Audit criteria:**

Processes and controls are appropriately designed and operate effectively to provide recipients of the service with a concise, easily accessible, and machine-readable summary of the Terms and Conditions, including the available remedies and redress mechanisms, in a clear and unambiguous language.

**Benchmark(s) used as provided by Amazon:**

- *Easily accessible:* displayed in the footer of the Store and accessible within one step from every page.
- *Clear and unambiguous:* succinct, straightforward and in easily understandable language.
- *Terms and Conditions relevant for this obligation:* the 'Amazon Europe Services Business Solutions Agreement' and the 'Conditions of Use'. Amazon considers the following hyperlinked pages to be in scope for the 'Conditions of Use': Finding products in the Amazon Store, Notices and Procedures for Making Claims of Rights Infringements, and Report an Issue with a Product, Content, or Product Page.

**Materiality threshold:**

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that the Terms of Service as described under the 'Benchmark(s) used as provided by Amazon' are in scope for this obligation.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance to provide recipients of services with a concise, easily accessible and machine-readable summary of the Terms and Conditions, including the available remedies and redress mechanisms, in clear and unambiguous language.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected the 'Conditions of Use' and inspected that a hyperlink is included that links to the 'Summary of the Conditions of Use';
  - inspected the 'Amazon Services Europe Business Solutions Agreement' and inspected that a hyperlink is included that links to the 'Summary of the Amazon Services Europe Business Solutions Agreement';
  - observed the 'Amazon Services Europe Business Solutions Agreement' and 'Conditions of Use', including the hyperlinks to the summaries, and identified that these are easily accessible, as they are accessible from the main page of the Store, following the benchmark as provided by Amazon;
  - observed the 'Amazon Services Europe Business Solutions Agreement' and 'Summary of the Conditions of Use' and identified that these are written in a clear and unambiguous manner, following the benchmark as provided by Amazon;

- observed the 'Summary of the Amazon Services Europe Business Solutions Agreement' and 'Summary of the Conditions of Use' and identified that these are presented in a machine-readable format (i.e., HTML);
  - observed the 'Summary of the Amazon Services Europe Business Solutions Agreement' and 'Summary of the Conditions of Use' and identified that they include the available remedies and redress mechanisms.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Obligation:**  
14(6)

**Specified Requirements:**

**Audit criteria:**

Processes and controls are appropriately designed and operate effectively to ensure that Terms and Conditions are published in the official languages of all the Member States in which Amazon offers its services.

**Benchmark(s) used as provided by Amazon:**

- *Terms and Conditions relevant for this obligation: the 'Amazon Europe Services Business Solutions Agreement' and the 'Conditions of Use'. Amazon considers the following hyperlinked pages to be in scope for the 'Conditions of Use': Finding products in the Amazon Store, Notices and Procedures for Making Claims of Rights Infringements, and Report an Issue with a Product, Content, or Product Page.*

**Materiality threshold:**

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that the Terms of Service as described under the 'Benchmark(s) used as provided by Amazon' are in scope for this obligation.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that the Terms and Conditions are publicly available in an easily accessible and machine-readable format in the official languages of all the Member States where Amazon offers its services.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners and identified that there are eight Amazon EU Stores in Europe: Amazon.fr, Amazon.de, Amazon.it, Amazon.es, Amazon.nl, Amazon.se, Amazon.com.be, and Amazon.pl;
  - inspected the 'Conditions of Use' and 'Amazon Services Europe Business Solutions Agreement' for each of these Stores and identified that these are publicly available and published in a machine-readable format in different EU languages, including the official languages of all the Member States in which Amazon EU Stores are located: France, German, Italian, Spanish, Dutch, Swedish, Polish; and next to these languages, for most of the Stores, English;

- observed that the 'Conditions of Use' and the 'Amazon Services Europe Business Solutions Agreement' are easily accessible, as they are accessible from the main page of the Store/Seller Central, following the benchmark provided by Amazon;
  - observed that the 'Conditions of Use' and the 'Amazon Services Europe Business Solutions Agreement' are presented in a machine-readable format (i.e., HTML).
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 15(1)	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that following information is accurately presented in the transparency report:</p> <ul style="list-style-type: none"> <li>a) the number of orders received from Member States' authorities including orders issued in accordance with Articles 9 and 10, categorized by the type of illegal content concerned, the Member State issuing the order, and the median time needed to inform the authority issuing the order;</li> <li>b) the number of notices submitted in accordance with Article 16, categorized by the type of alleged illegal content concerned, the number of notices submitted by trusted flaggers, any action taken pursuant to the notices by differentiating whether the action was taken on the basis of the law or the Terms and Conditions of the provider, the number of notices processed by using automated means and the median time needed for taking the action;</li> <li>c) the content moderation engaged in at the provider's own initiative, including the use of automated tools, the measures taken to provide training and assistance to persons in charge of content moderation, the number and types of measures taken that affect the availability, visibility and accessibility of information provided by the recipients of the service and the recipients' ability to provide information through the service, and other related restrictions of the service; the information reported shall be categorized by the type of illegal content or violation of the Terms and Conditions of the service provider, by the detection method and by the type of restriction applied;</li> <li>d) the number of complaints received through the internal complaint-handling systems in accordance with the provider's Terms and Conditions and, additionally, for providers of online platforms, in accordance with Article 20, the basis for those complaints, decisions taken in respect of those complaints, the median time needed for taking those decisions and the number of instances where those decisions were reversed;</li> <li>e) any use made of automated means for the purpose of content moderation, including a qualitative description, a specification of the precise purposes, indicators of the accuracy and the possible rate of error of the automated means used in fulfilling those purposes, and any safeguards applied.</li> </ul> <p><b>Benchmark(s) used as provided by Amazon:</b></p>	<p><b>Materiality threshold:</b></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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- *Easily accessible*: accessible on a specific page created to display the report.
- *Clear and easily comprehensible*: straightforward and easily understandable.

**Conclusion:**

**Positive with comments** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Reason(s) for the conclusion:**

We identified that Amazon's classification of illegal content is based on the content's format (e.g., audio, image, product), which is in contradiction with KPMG's interpretation of Article 15(1)(a), which specifically mandates the categorization to be based on the type of the 'illegal' content (e.g., non-compliant or counterfeit products, the sale of products or the provision of services in infringement of consumer protection law).

Also, we identified, in contradiction with KPMG's interpretation of Article 15(1)(e), that the present indicator of accuracy lacks comprehensive information on the methodology used to establish accuracy, such as the metrics used, the population classified, and the selection size over which accuracy was calculated. Also, Amazon did not include the possible error rate in the transparency report, although a user can derive the error rate by inverting the accuracy rate.

These observations, however, do not lead to a risk of a material misstatement at the obligation level.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon makes publicly available, in a machine-readable format and in an easily accessible manner, at least once a year, clear, easily comprehensible reports on any content moderation engaged in during the relevant period.
  - Controls provide reasonable assurance that Amazon reports on the number of orders received from Member States' authorities including orders issued in accordance with Articles 9 and 10, categorized by the type of illegal content concerned, the Member State issuing the order, and the median time needed to inform the authority issuing the order, or any other authority specified in the order, of its receipt, and to give effect to the order.
  - Controls provide reasonable assurance that Amazon reports on the number of notices submitted in accordance with Article 16, categorized by the type of alleged illegal content concerned, the number of notices submitted by trusted flaggers, any action taken pursuant to the notices by differentiating whether the action was taken on the basis of the law or the Terms and Conditions of the provider, the number of notices processed by using automated means and the median time needed for taking the action.
  - Controls provide reasonable assurance that Amazon reports in a meaningful and comprehensible manner on information categorized by the type of illegal content or violation of the Terms and Conditions, by the detection method and by the type of restriction applied, about voluntary content moderation engaged in, including the use of automated tools, the measures taken to provide training and assistance to persons in charge of content moderation, the number and type of measures taken that affect the availability, visibility and accessibility of information provided by the recipients of the service and the recipients' ability to provide information through the service, and other related restrictions of the service.
  - Controls provide reasonable assurance that Amazon reports on the number of complaints received through the internal complaint-handling systems in accordance with the Terms and Conditions and, additionally, for providers of online platforms, in accordance with Article 20, the basis for those complaints, decisions taken in respect of those complaints, the median time needed for taking those decisions and the number of instances where those decisions were reversed.
  - Controls provide reasonable assurance that Amazon reports on any use of automated means for the purpose of content moderation, including a qualitative description, a specification of the precise purposes, indicators of the accuracy and the possible rate of error of the automated means used in fulfilling those purposes, and any safeguards applied.

3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:

- inquired with control owners and were informed that two transparency reports have been published during the Evaluation Period; we were also informed about the transparency reporting process that includes appropriate validation steps to meet the Specified Requirements;
- inspected the transparency report webpage on which the reports can be downloaded and identified that reports are published in a machine-readable format (i.e., CSV). Moreover, a supplementary PDF is available;
- inspected the transparency report webpage and identified that the transparency reports are easily accessible following the benchmark provided by Amazon;
- inspected the workback plan that outlines the timeframes, publication method and roles and responsibilities and determined that senior stakeholders are involved in the transparency reporting process;
- inspected the scoping document and determined that it covers requirements a) to e) of the audit criteria and identified that the calculation metrics logic was approved by senior leadership;
- inspected, through one instance (i.e., metric in the transparency report), that validation steps are performed by Amazon to validate the completeness and accuracy of the metrics; we identified that the validation steps include a review from the data validation team (e.g., re-calculation and calculation logic review) as well as a review from the leadership team;
- reviewed a random selection, for both transparency reports, and re-performed the validation steps; we identified that the metrics as included in the transparency reports were complete and accurate;
- inspected both transparency documents and identified that these are clear and easily comprehensible following the benchmark of Amazon.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Recommendations on specific measures:**

We recommend that Amazon specifies the requirement in Article 15(1)(a) and 15(1)(b) by 'illegal' content type instead of content format. Moreover, we recommend to further substantiate the logic used to calculate the accuracy indicators following Article 15(1)(e) and also include the error rate. \*

*\* Please note: The new Commission implementing regulation, laying down templates concerning the transparency reporting obligations of providers of intermediary services and of providers of online platforms under Regulation (EU) 2022/2065 of the European Parliament and of the Council, should take precedence over any recommendations made in this report.*

**Recommended timeframe to implement specific measures:**

Prior to the publication of the transparency report due in February 2025.

**Management comments:**

We will consider implementing KPMG's recommendations on specific measures. For completeness we wish to clarify that "type of illegal content" is not defined in the Act and as such Amazon adopted a commonsense approach when complying with this obligation. In terms of error rate, we will invert the accuracy rate to expressly state this metric.

**Section 2 – Additional provisions applicable to providers of hosting services, including online platforms**

**Obligation:**  
16(1)

**Specified Requirements:**

**Audit criteria:**

Processes and controls are appropriately designed and operate effectively to allow any individual or entity to notify Amazon of the presence on their service of specific items of information that the individual or entity considers to be illegal content. Those

**Materiality threshold:**

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation

	<p>mechanisms shall be easy to access and user friendly and shall allow for the submission of notices exclusively by electronic means.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Easy to access:</i> within five clicks from any page of the Store.</li> <li>- <i>User friendly:</i> easily understandable to users.</li> </ul>	<p>Period to meet the Specified Requirements.</p>
<p><b>Conclusion:</b></p> <p><b>Positive with comments</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p><b>Reason(s) for the conclusion:</b></p> <p>We identified that it is not possible to notify Amazon about the presence of illegal content on their platform without having an Amazon user account. This means that individuals or entities that identify illegal content must first create a user account on the Store, before they can notify Amazon about the presence of the illegal content, thereby negatively affecting the ‘accessibility’ of the notice mechanism. This observation, however, does not lead to a risk of a material misstatement at the obligation level.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> <li>• Put in place mechanisms to allow any individual or entity to notify Amazon of the presence on the Amazon EU Store of specific items of information that the individual or entity considers to be illegal content.</li> <li>• Ensure that the mechanisms are (a) easy to access and user-friendly, and (b) allow for the submission of notices exclusively by electronic means.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objectives above and identified that, except for the observation identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> <li>• inquired with control owners;</li> <li>• inspected through one instance, for each of the following four different notice intake mechanisms, the processes and the technical functionalities of submitting notices: 1) to report illegal content related to products; 2) to report illegal content presented via advertisements; 3) to report illegal content for Amazon Influencer content; and 4) for right owners via Amazon Brand Registry and/or Amazon’s Report Infringement Form;</li> <li>• inspected that these functionalities are easy to access, user-friendly, and that the submission allows exclusively electronic means following the benchmarks provided by Amazon and documented above;</li> <li>• inspected, by assessing the code configuration, that these notice intake mechanisms were in place from the beginning of the compliance period.</li> </ul> </li> <li>4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.</li> <li>5. Tested that the submitted notices are processed to the notice management systems by means of an interface that is monitored for exceptions, and that identified exceptions are processed timely by Amazon.</li> </ol> <p><b>Changes to the audit procedures and/or systems and functionalities during the audit:</b></p> <p>N/A</p>		

<p><b>Recommendations on specific measures:</b></p> <p>We recommend that Amazon assesses whether accessibility of the functionality to notify Amazon about the presence of illegal content on the Store can be made available to users and entities that do not have an Amazon user account or are not logged in, thereby increasing the accessibility of the notice mechanisms.</p>	<p><b>Recommended timeframe to implement specific measures:</b></p> <p>1 September 2024 to 31 December 2024</p>
<p><b>Management comments:</b></p> <p>Amazon has assessed whether to extend the accessibility of the notification functionality to users that do not have an Amazon user account, as suggested in the recommendation. We have concluded that Amazon's current mechanisms are appropriate and align with the requirements of Article 16(1) because:</p> <ol style="list-style-type: none"> <li>1. the ease and accessibility of both setting up an account and subsequent login aligns with the Article 16(1) requirement for an "easy to access and user-friendly" notice and action mechanism; and</li> <li>2. the requirement for users to log in prior to using these mechanisms is crucial to protect against misuse and maintain a safe and efficient notice and action mechanism.</li> </ol>	

<p><b>Obligation:</b> 16(2)</p>	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to facilitate the submission of sufficiently precise and adequately substantiated notices containing the following elements:</p> <ol style="list-style-type: none"> <li>f) a sufficiently substantiated explanation of the reasons why the individual or entity alleges the information in question to be illegal content;</li> <li>g) a clear indication of the exact electronic location of that information, such as the exact URL or URLs, and, where necessary, additional information enabling the identification of the illegal content adapted to the type of content and to the specific type of hosting service;</li> <li>h) the name and email address of the individual or entity submitting the notice, except in the case of information considered to involve one of the offences referred to in Articles 3 to 7 of Directive 2011/93/EU (on combating the sexual abuse and sexual exploitation of children and child pornography, referred to as CSAM);</li> <li>i) a statement confirming the bona fide belief of the individual or entity submitting the notice that the information and allegations contained therein are accurate and complete.</li> </ol>	<p><b>Materiality threshold:</b></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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<p><b>Conclusion:</b></p> <p><b>Negative</b> – In our opinion, except for the effects of the material non-compliance described in the following paragraph, the Specified Requirements are met during the Evaluation Period, in all material respects.</p> <p><b>Reason(s) for the conclusion:</b></p> <p>We identified that individuals or entities can't notify Amazon about the presence of illegal content via the notice intake mechanism on the Store, exclusively by automated means (i.e., anomalously) when the illegal content involves one of the offences referred to in Articles 3 to 7 of Directive 2011/93/EU, since a name and e-mail address is required. Despite that Amazon informed us about the option for individuals or entities to contact Customer Support by telephone to report notices anonymously, Amazon could not provide us with sufficient audit evidence to evaluate the implementation and operating effectiveness of this option.</p> <p>We received an affidavit from Amazon that describes that during the Evaluation Period, no CSAM related reports have been received related to content on the EU Store. We have not performed audit procedures to validate the completeness and accuracy of the affidavit.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> </ol>	
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2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon ensures that the mechanisms referred to in Article 16(1) facilitate the submission of notices containing all of the elements set out in Article 16(2), points (a) to (d).
3. Tested the processes and controls supporting the control objectives above and identified that except for the observation identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected through one instance, for each of the four different notice intake mechanisms, the process and technical functionalities of submitting notices: 1) for buyers to report illegal content related to products; 2) for buyers to report illegal content presented via advertisements; 3) to report illegal content for Amazon Influencer content; and 4) for brands via Amazon brand registry.
  - inspected that these functionalities allow individuals or entities, except for the observations identified as described under "Reason for conclusion", to submit notices with the following data:
    - a) a sufficiently substantiated explanation of the reason via an open text box to provide why the individual or entity alleges the information in question to be illegal content;
    - b) the exact location of that information (the Amazon Standard Identification Number of URL) is automatically determined since the notice mechanism is triggered from the page that contains the potential illegal content;
    - c) the name and e-mail address of the individual or entity submitting the notice are automatically determined since a user must have an Amazon account and log in to submit a notice (see obligation 16.1);
    - d) a statement confirming the bona fide belief of the individual or entity submitting the notice that the information and allegations contained therein are accurate and complete via a checkbox.
  - observed the code configuration and identified that these notice intake mechanisms were in place from the beginning of the compliance period;
  - we were informed by Amazon that an option is available for users to report notices anonymously via the Customer Support service by telephone;
  - through one instance, we have identified that Amazon could not provide sufficient evidence to evaluate whether the notice was registered in the [Confidential] for further moderation after reporting the notice anonymously via Customer Support.
4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.
5. Tested that the submitted notices are processed to the notice management systems by means of an interface that is monitored for exceptions and that identified exceptions are processed timely by Amazon.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Recommendations on specific measures:**

We recommend Amazon to design new or reinforce existing functionalities to notify Amazon, exclusively by electronic means, about the presence of illegal content on their platform without leaving their name and e-mail address (i.e., anonymously) when the illegal content involves one of the offences referred to in Articles 3 to 7 of Directive 2011/93/EU.

**Recommended timeframe to implement specific measures:**

1 September 2024 to 31 December 2024

**Management comments:**

We acknowledge the auditor's observations. Individuals or entities can report the offences referred to in Articles 3 to 7 of Directive 2011/93/EU through an automated process (i.e., telephone) without providing their name or email, and Amazon has not received any such report during the Evaluation Period by any channel, including telephone. However, fully addressing the auditor's recommendation on this specific measure, on June 28,

2024, Amazon expanded the reporting channels for these notices, by launching a webform that can be accessed from any Amazon Store page.

<b>Obligation:</b> 16(4)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that when Amazon has the electronic contact information of the individual or entity that submitted the notice, Amazon sends without undue delay a confirmation of the receipt of the notice to that individual or entity.  <b>Benchmark(s) used as provided by Amazon:</b> <ul style="list-style-type: none"> <li>- <i>Without undue delay</i>: occurring within [Confidential] unless an applicable standard operating procedure details an SLA that is longer [Confidential], in which case the SLA detailed in that standard operating procedure prevails.</li> </ul>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:           <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that where the notice contains the electronic contact information of the individual or entity that submitted it, a confirmation of receipt of the notice is sent to that individual or entity without undue delay.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:           <ul style="list-style-type: none"> <li>• inquired with control owners;</li> <li>• inspected through one instance, for each of the following four different notice intake mechanisms, the processes and technical functionalities of confirmation of receipt of notice: 1) to report illegal content related to products; 2) to report illegal content presented via advertisements; 3) to report illegal content for Amazon Influencer content; and 4) for right owners via Amazon Brand Registry and/or Amazon’s Report Infringement Form;</li> <li>• inspected that notice submitters received the confirmation ‘without undue delay’ following the benchmark provided by Amazon and documented above;</li> <li>• inspected, by assessing the code configuration, that these mechanisms to report to the notice submitter the receipt of the notice, were in place from the beginning of the compliance period.</li> </ul> </li> <li>4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.</li> </ol>		
<b>Changes to the audit procedures and/or systems and functionalities during the audit:</b> N/A		

<b>Obligation:</b> 16(5)	<b>Specified Requirements:</b> <b>Audit criteria:</b>	<b>Materiality threshold:</b>
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<p>Processes and controls are appropriately designed and operate effectively to notify, without undue delay, the individual or entity of Amazon's decision in respect of the information to which the notice relates, providing information on the possibilities for redress in respect of that decision.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Without undue delay</i>: occurring within [Confidential] unless an applicable standard operating procedure details an SLA that is longer than [Confidential], in which case the SLA detailed in that standard operating procedure prevails.</li> </ul>	<p>Deviations over 5% where cases do not meet the Specified Requirements.</p>
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted walk-throughs with all teams involved in the 'notice and action' process to understand the processes and controls in place to meet the Specified Requirements and identified that Amazon has comprehensive controls and standard operating procedures (SOP) in place that are specific for each team involved.
2. Inspected the design of SOP in place per team related to the 'notice and action process' and identified that these included appropriate steps to meet the Specified Requirements. Furthermore, we reviewed the control frameworks for each team and identified that homogenous processes, systems, and controls are in place for selected teams. Based on our observations, we decided to perform substantive procedures instead of control test procedures for each unique group of teams, due to the complexity of Amazon's internal control environment and for efficiency purposes. We have identified four unique processes that we have tested using substantive procedures.
3. For each homogenous process, through one instance, we identified that Amazon notified, 'without undue delay' following the benchmark of Amazon as described above, the individual or entity of its decision including i) the information to which the notice relates and ii) the possibilities for redress, in respect of that decision.
4. For each homogenous process, reviewed a random selection of cases where Amazon took a decision about specific items of information that it considers illegal on the EU Store and identified that Amazon notified, 'without undue delay' following the benchmark of Amazon as described above, the individual or entity of its decision including i) the information to which the notice relates; and ii) the possibilities for redress, in respect of that decision.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.

<p><b>Obligation:</b> 16(6)</p>	<p><b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall process any notices that they receive under the mechanisms referred to in Article 16(1) and take its decisions in respect of the information to which the notice relates, in a timely, diligent, non-arbitrary and objective manner. Where Amazon uses automated means for that processing or decision-making, they shall include information on such use in the notification referred to in Article 16.5.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Timely</i>: occurring within [Confidential] unless an applicable standard operating procedure details an SLA that is longer [Confidential]</li> </ul>	<p><b>Materiality threshold:</b> Deviations over 5% where cases do not meet the Specified Requirements.</p>
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	<p>[Confidential] , in which case the SLA detailed in that standard operating procedure prevails.</p> <ul style="list-style-type: none"> <li>- <i>Automated means</i>: a process carried out entirely without human input or intervention.</li> <li>- <i>Diligent, non-arbitrary and objective manner</i>: handle notices in a diligent, non-arbitrary, and objective manner as detailed in applicable standard operating procedures.</li> </ul>	
<p><b>Conclusion:</b></p> <p><b>Negative</b> – In our opinion, except for the effects of the material non-compliance described in the following paragraph, the Specified Requirements are met during the Evaluation Period, in all material respects.</p> <p><b>Reason(s) for the conclusion:</b></p> <p>We identified, as part of our random selection, specific instances where Amazon did not meet the requirements detailed in the specific standard operating procedures (SOP) and benchmarks. Our observations do concern the following: a) the way in which the decision communicated was not in compliance with the SOP; b) the decision was not made timely; and c) the decision was communicated in a language other than the language used to submit the notice.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted walk-throughs with all teams involved in the 'notice and action' process to understand the processes and controls in place to meet the Specified Requirements and identified that Amazon has comprehensive controls and standard operating procedures (SOP) in place that are specific for each team involved.</li> <li>2. Inspected the design of SOP in place per team related to the 'notice and action process' and identified that these included appropriate steps to meet the Specified Requirements. Furthermore, we reviewed the control frameworks for each team and identified that homogenous processes, systems, and controls are in place for selected teams. Based on our observations, we decided to perform substantive procedures instead of control test procedures for each unique group of teams, due to the complexity of Amazon's internal control environment and for efficiency purposes. We have identified four unique processes that we have tested using substantive procedures.</li> <li>3. For each of the four processes, through one instance, we identified that Amazon took its decision in a timely, diligent, non-arbitrary and objective manner following the applicable SOP; where Amazon used automated means for that processing or decision-making, they included that information on such use in the notification.</li> <li>4. For each of the four processes, we reviewed a random selection of notices where Amazon took a decision about specific items of information that it considered illegal on the EU Store or incompatible with their Terms and Conditions on the EU Store and identified for three out of the four processes exceptions for &gt; 5% of the cases (above materiality). For specific instances, we have identified that:             <ol style="list-style-type: none"> <li>a) the way in which the decision communicated was not in compliance with the SOP (i.e., Amazon did not provide information on the use of automated means);</li> <li>b) the decision was not made timely following the benchmark as defined by Amazon and described above; and/or</li> <li>c) the decision was communicated in a language other than the language used to submit the notice.</li> </ol> </li> </ol> <p><b>Changes to the audit procedures and/or systems and functionalities during the audit:</b></p> <p>We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.</p>		
<p><b>Recommendations on specific measures:</b></p> <p>We recommend Amazon to reduce the complexity of its internal control environment concerning the processing of notices by consolidating controls of teams for which the systems and processes are homogenous.</p> <p>Furthermore, we recommend Amazon to strengthen their notice and action process and controls to ensure:</p> <ol style="list-style-type: none"> <li>a) adherence to the SOP to mitigate observation 4, points (a) and (b), through regular training and monitoring;</li> <li>b) the response to notice submitters is in the same language as the initial notice that was received by Amazon.</li> </ol>		<p><b>Recommended timeframe to implement specific measures:</b></p> <p>1 September 2024 to 31 December 2024</p>

**Management comments:**

We will consider implementing KPMG's recommendations on specific measures. We will conduct a comprehensive review of the existing internal control environment to identify opportunities for consolidation and streamlining.

<p><b>Obligation:</b> 17(1), 17(2), 17(3) and 17(4)</p>	<p><b>Specified Requirements:</b> <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to ensure that Amazon provides a clear and specific statement of reasons to any affected recipients of the service for any of the following restrictions imposed on the ground that the information provided by the recipient of the service is illegal content or incompatible with their Terms and Conditions:</p> <ul style="list-style-type: none"> <li>a) any restrictions of the visibility of specific items of information provided by the recipient of the service, including removal of content, disabling access to content, or demoting content;</li> <li>b) suspension, termination, or other restriction of monetary payments;</li> <li>c) suspension or termination of the provision of the service in whole or in part;</li> <li>d) suspension or termination of the recipient of the service's account.</li> </ul> <p>The above shall only apply where the relevant electronic contact details are known to Amazon. It shall apply at the latest from the date that the restriction is imposed, regardless of why or how it was imposed. The above shall not apply where the information is deceptive high-volume commercial content.</p> <p>The statement of reasons referred to above shall at least contain the following information:</p> <ul style="list-style-type: none"> <li>i. information on whether the decision entails either the removal of, the disabling of access to, the demotion of or the restriction of the visibility of the information, or the suspension or termination of monetary payments related to that information, or imposed other measures referred to in Article 17(1) with regard to the information, and, where relevant, the territorial scope of the decision and its duration;</li> <li>ii. the facts and circumstances relied on in taking the decision, including, where relevant, information on whether the decision was taken pursuant to a notice submitted in accordance with Article 16 or based on voluntary own-initiative investigations and, where strictly necessary, the identity of the notifier;</li> <li>iii. where applicable, information on the use made of automated means in taking the decision, including information on whether the decision was taken in respect of content detected or identified using automated means;</li> <li>iv. where the decision concerns allegedly illegal content, a reference to the legal ground relied on and explanations as to why the information is considered to be illegal content on that ground;</li> <li>v. where the decision is based on the alleged incompatibility of the information with the Terms and Conditions of the provider of hosting services, a reference to the contractual ground relied on and explanations as to why the information is considered to be incompatible with that ground;</li> <li>vi. clear and user-friendly information on the possibilities for redress available to the recipient of the service in respect of the decision,</li> </ul>	<p><b>Materiality threshold:</b> Deviations over 5% where cases do not meet the Specified Requirements.</p>
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	<p>in particular, where applicable through internal complaint-handling mechanisms, out-of-court dispute settlement and judicial redress.</p> <p>This information shall be clear and easily comprehensible and as precise and specific as reasonably possible under the given circumstances. The information shall, in particular, be such as to reasonably allow the recipient of the service concerned to effectively exercise the possibilities for redress referred to in point (vi).</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Clear and specific:</i> straightforward and unambiguous.</li> <li>- <i>Deceptive high-volume commercial content:</i> inauthentic use of the EU Store including the use of bots or fake or compromised accounts or other deceptive uses of the EU Store.</li> <li>- <i>Clear and user-friendly:</i> straightforward information that is easily understandable.</li> <li>- <i>Clear and easily comprehensible:</i> straightforward and easily understandable.</li> </ul>	
<p><b>Conclusion:</b></p> <p><b>Negative</b> – In our opinion, except for the effects of the material non-compliance described in the following paragraph, the Specified Requirements are met during the Evaluation Period, in all material respects.</p> <p><b>Reason(s) for the conclusion:</b></p> <p>We identified, as part of our random selection, specific instances where Amazon did not provide legal grounds for the restrictions imposed and/or information on the use of automated means in the decision process. Also, we were informed by Amazon that they could not provide us with sufficient and appropriate audit evidence for a part of the selected instances.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted walk-throughs with all teams involved in the 'statement of reasons' process to understand the processes and controls in place to meet the Specified Requirements and identified that Amazon has comprehensive controls in place that is specific for each team involved.</li> <li>2. We reviewed the control frameworks for each team and identified that homogenous processes, systems, and controls are in place for selected teams. Based on our observations, we decided to perform substantive procedures instead of control test procedures for each unique group of teams, due to the complexity of Amazon's internal control environment and for efficiency purposes. We have identified nine unique groups that we have tested using substantive procedures.</li> <li>3. We identified for each of the nine groups, through one instance, that a statement of reasons template is in place for each of the restrictions imposed as described in points (a) to (d) of the Specified Requirements.</li> <li>4. We reviewed a random selection of statement of reasons, for each of the nine groups, where Amazon took a decision about specific items of information that it considers illegal on the EU Store; and identified for eight out of the nine groups exceptions for &gt; 5% of the selection (above materiality). For specific instances, we have identified that:             <ol style="list-style-type: none"> <li>a) Amazon did not provide specific legal ground for restrictions imposed (i.e., point (iv) of the Specified Requirements); or</li> <li>b) Amazon did not provide information on use of automated means (i.e., point (iii) of the Specified Requirements); or</li> <li>c) Amazon was unable to provide sufficient and appropriate audit evidence for a part of the selected instances.</li> </ol> </li> </ol> <p><b>Changes to the audit procedures and/or systems and functionalities during the audit:</b></p> <p>We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.</p>		
<p><b>Recommendations on specific measures:</b></p>	<p><b>Recommended timeframe to</b></p>	

<p>We recommend Amazon to reduce the complexity of its internal control environment by consolidating controls of teams for which systems and processes are homogenous. Moreover, we recommend Amazon to strengthen its statement of reasons processes and controls to ensure that the following information is provided to recipients of the service:</p> <ul style="list-style-type: none"> <li>a) the legal ground for the restrictions imposed;</li> <li>b) information on the use made of automated means in taking the decision, including information on whether the decision was taken in respect of content detected or identified using automated means.</li> </ul> <p>Moreover, we do recommend Amazon to assess the root cause on why evidence cannot be provided for a part of the selected statement of reasons.</p> <p><b>Management comments:</b></p> <p>We will consider implementing KPMG's recommendations on specific measures. We will conduct a comprehensive review of the existing internal control environment to identify opportunities for consolidation and streamlining.</p>	<p><b>implement specific measures:</b></p> <p>1 September 2024 to 31 December 2024</p>
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<p><b>Obligation:</b> 18(1)</p>	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to enable Amazon, when Amazon becomes aware of information giving rise to a suspicion that a criminal offence involving a threat to the life or safety of a person or persons has taken place, is taking place or is likely to take place, to promptly inform the law enforcement or judicial authorities of the Member State or Member States concerned of their suspicion and provide all relevant information available.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- Promptly: within [Confidential] following Amazon's standard operating procedures concerning the notification of suspicions of criminal offenses.</li> </ul>	<p><b>Materiality threshold:</b></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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<p><b>Conclusion:</b></p> <p><b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *</p> <p><i>* Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.</i></p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:             <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that when Amazon becomes aware of any information giving rise to a suspicion that a criminal offence involving a threat to the life or safety of a person or persons has taken place, is taking place or is likely to take place, it promptly informs the law enforcement or judicial authorities of the Member State or Member States concerned of its suspicion and provides all relevant information available.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed. As part of our audit procedures, we have:             <ul style="list-style-type: none"> <li>• inquired with control owners;</li> <li>• inspected the design of specific standard operating procedures in place related to the notification of suspicions of criminal offenses and determined that they were appropriate to meet the Specified Requirements;</li> </ul> </li> </ol>
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- observed that pre-written templates are in place for emails that would be used in case Amazon has a suspicion of a criminal offense and needs to inform the law enforcement or judicial authorities of the Member State or Member States, including all relevant information;
  - extracted the number of notifications of suspicions of criminal offenses from the ticketing system and determined that no occurrence took place in the Evaluation Period, which means that no ticket was raised to the team concerning a potential suspicion of criminal offense; therefore, we could not assess the implementation;
  - identified that Amazon tests the procedures annually; and, based on observations of the test results in inquiry with the people involved, that the test was successfully conducted following the standard operating procedure;
  - assessed a selection of notifications under Articles 16 and 20 and confirmed that none of these instances should have triggered the process for dealing with a suspicion that a criminal offense involving a threat to the life or safety of a person or persons took place on Amazon.
4. Made inquiries, after the Evaluation Period, with the control operators responsible for the operation of the controls and confirmed that there were no occurrences of notifications of suspicions of criminal offenses during the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Obligation:**  
18(2)

**Specified Requirements:**

**Audit criteria:**

Processes and controls are appropriately designed and operate effectively in order to, when Amazon cannot identify with reasonable certainty the Member State concerned, enable Amazon to inform the law enforcement authorities of the Member State in which it is established or where its legal representative resides or is established or inform Europol, or both.

**Materiality threshold:**

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. \*

*\* Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.*

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that when Amazon cannot identify with reasonable certainty the Member State concerned, it informs Europol.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected the design of specific standard operating procedures in place related to the notification of suspicions of criminal offenses and determined that, when Amazon cannot identify with reasonable certainty the Member State concerned, they will send the information to the Member State in which the EU Store is established (Luxembourg), and to Europol;
  - extracted the number of notifications of suspicions of criminal offenses from the ticketing system and determined that no occurrence took place in the Evaluation Period, which means that no ticket was raised to the team concerning a potential suspicion of criminal offense;
  - identified that Amazon tests the process annually and, based on observations of the test results and inquiry with the people involved, that the test was successfully conducted. We confirmed that

the test process included a step to confirm whether Europol should be contacted in case Amazon cannot identify with reasonable certainty the Member State concerned;

- identified that Amazon conducts a review on the internal contact list spreadsheet maintained for the purposes of Article 18 DSA for the EU Store on an annual basis and confirms whether the list is accurate and up to date. The review includes [Confidential]
  - We determined that this review was conducted during the compliance period.
- 4. We have assessed a selection of notifications under Articles 16 and 20 and confirmed that none of these instances should have triggered the process for dealing with a suspicion that a criminal offense involving a threat to the life or safety of a person or persons took place on Amazon.
- 5. We confirmed, after the Evaluation Period, that there were no significant changes in the design of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Section 3 – Additional provisions applicable to providers of online platforms**

<b>Obligation:</b> 20(1) and 20(2)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to provide recipients of the service, including individuals or entities that have submitted a notice, for a period of at least six months with access to an effective internal complaint-handling system that enables them to lodge complaints, electronically and free of charge, against the decision taken by Amazon upon the receipt of a notice or against the following decisions taken by Amazon on the grounds that the information provided by the recipients constitutes illegal content or is incompatible with its Terms and Conditions: <ol style="list-style-type: none"> <li>a) decisions whether or not to remove or disable access to or restrict visibility of the information;</li> <li>b) decisions whether or not to suspend or terminate the provision of the service, in whole or in part, to the recipients;</li> <li>c) decisions whether or not to suspend or terminate the recipients' account;</li> <li>d) decisions whether or not to suspend, terminate or otherwise restrict the ability to monetize information provided by the recipients.</li> </ol>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:           <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that Amazon provides recipients of the service, including individuals or entities that have submitted a notice, with access to an effective, electronic, and free of charge internal complaint-handling system that enables the recipient to lodge complaints against decisions taken by Amazon on receipt of a notice, or decisions listed in Articles 20(1), points (a) to (d) taken by Amazon on the grounds that the information provided by the recipients constitutes illegal content or is incompatible with its Terms and Conditions, for a period of at least</li> </ul> </li> </ol>		

six months following the relevant decision. The period of at least six months referred to in Article 20(1) starts on the day on which the recipient of the service is informed about the decision in accordance with Article 16(5) or Article 17.

3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected, through one instance, for each of the following four different complaints intake mechanisms, the processes, and technical functionalities for individuals and entities to submit complaints when their account is not suspended: 1) for buyers to lodge complaints; 2) for individuals or entities to lodge complaints concerning advertisements; 3) for sellers to lodge complaints; and 4) for advertisers to lodge complaints; and confirmed that these meet the Specified Requirements, specifically points (a) to (d), and that these are free of charge;
  - inspected, through one instance, that individuals or entities when their account is suspended, can submit complaints by means of an email address that is provided upon receiving information about the decision to suspend their account;
  - observed, by assessing the code configuration, that for each of the intake mechanisms, individuals and entities can submit complaints for at least six months following the decision;
  - observed, by assessing the code configuration, that these complaints intake mechanisms were in place from the beginning of the compliance period.
4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.
5. Tested that the submitted complaints are processed to the complaints management systems by means of an interface that is monitored for exceptions, and that identified exceptions are processed timely by Amazon.
6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 20(3)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon’s internal complaint-handling systems are easy to access, user-friendly and enable and facilitate the submission of sufficiently precise and adequately substantiated complaints.  <b>Benchmark(s) used as provided by Amazon:</b> <ul style="list-style-type: none"> <li>- <i>Easy to access and user-friendly:</i> accessible via a direct link provided in the statement of reasons or via instructions set out in the statement of reasons.</li> </ul>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> </ol>		

2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon ensures that its internal complaint-handling systems are easy to access, user-friendly, and enable and facilitate the submission of sufficiently precise and adequately substantiated complaints.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected, through one instance, for each of the four different complaints intake mechanisms (see 20(1) and 20(2)), the processes and technical functionalities for individuals and entities to submit complaints and identified that these were easy to access and user-friendly following the benchmark as provided by Amazon;
  - inspected, through one instance, for each of the four different complaints intake mechanisms, the processes, and technical functionalities for individuals and entities to submit complaints and identified that the mechanisms facilitate the submission of sufficiently precise and adequately substantiated complaints, for example, giving individuals and entities the option to use free text boxes and/or upload additional documents;
  - observed, by assessing the code configuration, that these notice intake mechanisms were in place from the beginning of the compliance period.
4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.
5. Tested that the submitted complaints are processed to the complaints management systems by means of an interface that is monitored for exceptions, and that identified exceptions are processed timely by Amazon.
6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 20(4)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon handles complaints submitted through their internal complaint-handling system in a timely, non-discriminatory, diligent, and non-arbitrary manner. Where a complaint contains sufficient grounds for Amazon to consider that its decision not to act upon the notice is unfounded, or that the information to which the complaint relates is not illegal and is not incompatible with its Terms and Conditions or contains information indicating that the complainant's conduct does not warrant the measure taken, Amazon shall reverse its decision referred to in Article 20(1) without undue delay.  <b>Benchmark(s) used as provided by Amazon:</b> <ul style="list-style-type: none"> <li>- <i>Timely</i>: occurring within [Confidential] unless an applicable standard operating procedure details a longer SLA, in which case the SLA detailed in the standard operating procedure prevails.</li> <li>- <i>Non-discriminatory, diligent, and non-arbitrary</i>: handle complaints in a fair, thorough, and reasoned manner as detailed in applicable standard operating procedures.</li> </ul>	<b>Materiality threshold:</b> Deviations over 5% where cases do not meet the Specified Requirements.
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**Conclusion:** [

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted walk-throughs with all teams involved in the 'internal complaint-handling' process to understand the processes and controls in place to meet the Specified Requirements and identified that Amazon has a comprehensive control framework and standard operating procedures (SOP) in place that are specific for each team involved.
2. Inspected the design of SOP in place per team related to the 'internal complaint-handling' process and identified that these included appropriate steps to meet the Specified Requirements. Furthermore, we reviewed the control frameworks for each team and identified that homogenous processes, systems, and controls are in place for selected teams. Based on our observations, we decided to perform substantive procedures instead of control test procedures for each unique group of teams, due to the complexity of Amazon's internal control environment and for efficiency purposes. We have identified four unique processes that we have tested using substantive procedures.
3. Observed for each of the four processes, through one instance, that Amazon handled the complaint submitted through their internal complaint-handling system in a timely, non-discriminatory, diligent, and non-arbitrary manner following the benchmarks as provided by Amazon.
4. For each of the four processes, reviewed a random selection of submitted complaints where Amazon decided as referred to in Article 20(1) and identified that:
  - a) the decisions were made in a diligent, non-arbitrary and objective manner following the relevant SOP;
  - b) the decisions were made in a timely manner, following the relevant SOP and the benchmark as provided by Amazon;
5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes

<b>Obligation:</b> 20(5)	<p><b>Specified Requirements:</b> <i><b>Audit criteria:</b></i> Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall inform complainants without undue delay of their reasoned decision in respect of the information to which the complaint relates and of the possibility of out-of-court dispute settlement provided in Article 21 and other available possibilities for redress.</p> <p><i>* Please note: The development of the DSA out-of-court dispute settlement bodies process envisaged by Article 21 of the Act is still in its early stages and is a work in progress at EC level. Also, the Commission has not yet published a list of appointed out-of-court dispute settlement bodies under Article 21(8) during the Evaluation Period. Therefore, we have not tested the specific obligation to inform about the possibilities to resolve disputes by selecting an out-of-court dispute settlement body.</i></p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Without undue delay:</i> occurring within [Confidential] unless an applicable standard operating procedure details an SLA that is longer than [Confidential], in which case the SLA detailed in that standard operating procedure prevails.</li> </ul>	<p><b>Materiality threshold:</b> Deviations over 5% where cases do not meet the Specified Requirements.</p>
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted walk-throughs with all teams involved in the 'internal complaint-handling' process to understand the processes and controls in place to meet the Specified Requirements and identified that Amazon has a comprehensive control framework and standard operating procedures (SOP) in place that are specific for each team involved.
2. Inspected the design of SOP in place per team related to the 'internal complaint-handling' process and identified that these included appropriate steps to meet the Specified Requirements. Furthermore, we reviewed the control frameworks for each team and identified that homogenous processes, systems and controls are in place for selected teams. Based on our observations, we decided to perform substantive procedures instead of control test procedures for each unique group of teams, due to the complexity of Amazon's internal control environment and for efficiency purposes. We have identified four unique processes that we have tested using substantive procedures.
3. For each of the four processes, through one instance, identified that Amazon informed individuals and entities without undue delay following the benchmark as provided by Amazon of their reasoned decision in respect of the information to which the complaint relates.
4. For each of the four processes, reviewed a random selection of submitted complaints where Amazon decided as referred to in Article 20(1) and identified that individuals and entities were informed of Amazon's decision without undue delay following the benchmark as provided by Amazon of their reasoned decision in respect of the information to which the complaint relates.
5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes

<p><b>Obligation:</b> 20(6)</p>	<p><b>Specified Requirements:</b> <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to ensure that the decisions, referred to in 20(5), are taken under the supervision of qualified staff, and not solely on the basis of automated means.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Automated means:</i> a process carried out entirely without human input or intervention.</li> </ul>	<p><b>Materiality threshold:</b> Deviations over 5% where cases do not meet the Specified Requirements.</p>
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted walk-throughs with all teams involved in the 'internal complaint-handling' process to understand the processes and controls in place to meet the Specified Requirements and identified that Amazon has a comprehensive control framework and standard operating procedures (SOP) in place that are specific for each team involved.
2. Inspected the design of SOP in place per team related to the 'internal complaint-handling' process and identified that these included appropriate steps to meet the Specified Requirements. Furthermore, we reviewed the control frameworks for each team and identified that homogenous processes, systems and controls are in place for selected teams. Based on our observations, we decided to perform substantive procedures instead of control test procedures for each unique group

of teams, due to the complexity of Amazon's internal control environment and for efficiency purposes. We have identified four unique processes that we have tested using substantive procedures.

3. For each of the four processes, through one instance, identified that the decisions are taken under the supervision of qualified staff, and not solely based on automated means.
4. For each of the four processes, reviewed a random selection of submitted complaints where Amazon decided as referred to in Article 20(1) and identified that decisions were taken under the supervision of qualified staff, and not solely based on automated means.
5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.

<b>Obligation:</b> 22(1)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that notices submitted by trusted flaggers, acting within their designated area of expertise, through the mechanisms referred to in Article 16, are given priority and are processed and decided upon without undue delay.  <b>Benchmark(s) used as provided by Amazon:</b> <ul style="list-style-type: none"> <li>- <i>Without undue delay:</i> occurring within [Confidential] unless an applicable standard operating procedure details an SLA that is longer than [Confidential], in which case the SLA detailed in that standard operating procedure prevails.</li> </ul>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. \*

*\* Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.*

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon ensures that notices submitted by trusted flaggers, acting within their designated area of expertise, through the mechanisms referred to in Article 16, are given priority and are processed and decided upon without undue delay.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed. As part of our audit procedures, we have:
  - inquired with the process owners about the trusted flaggers process and identified that no trusted flagger notices were received in the Evaluation Period;
  - conducted a walk-through to understand how Amazon prioritizes notices submitted by trusted flaggers to meet the Specified Requirements;
  - inspected the design of the trusted flaggers process that ensures that notices submitted by trusted flaggers, through the mechanisms referred to in Article 16, are given priority and are processed and decided upon without undue delay;

- inspected the design of the content moderation systems that support Article 16 and identified that a separate workflow is implemented for notices submitted by trusted flaggers (i.e., notices in this workflow will be prioritized).

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<p><b>Obligation:</b> 23(1) and 23(3)</p>	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall suspend, for a reasonable period of time and after having issued a prior warning, the provision of their services to recipients of the service that frequently provide manifestly illegal content.</p> <p>When deciding on suspension, Amazon shall take into account all relevant facts and circumstances apparent from the information available to them. Those circumstances shall include at least the following:</p> <ol style="list-style-type: none"> <li>the absolute numbers of items of manifestly illegal content or manifestly unfounded notices or complaints, submitted within a given timeframe;</li> <li>the relative proportion thereof in relation to the total number of items of information provided or notices submitted within a given timeframe;</li> <li>the gravity of the misuse, including the nature of illegal content, and of its consequences;</li> <li>where it is possible to identify it, the intention of the recipient of the service, the individual, the entity, or the complainant.</li> </ol> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li><i>Reasonable period:</i> a fair, appropriate, or sufficient period of time as detailed in the applicable standard operating procedures.</li> <li><i>Frequently:</i> with the regularity detailed in the applicable standard operating procedures.</li> </ul>	<p><b>Materiality threshold:</b></p> <p><i>For the procedures where we relied on controls:</i></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> <p><i>For the substantive procedures:</i></p> <p>Deviations over 5% where cases do not meet the Specified Requirements.</p>
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

- Conducted walk-throughs with all relevant policy teams and inquired with process owners involved in the 'measures and protection against misuse' process to understand the processes and controls in place to meet the Specified Requirements.
- Inspected the design of standard operating procedures (SOP) in place per team related to 'measures and protection against misuse' and identified that these included appropriate steps to meet the Specified Requirements. Furthermore, we identified that different processes are in place for each of the policy teams involved in the 'measures and protection against misuse' process and that they cover both misuse by 'sellers' and 'buyers'. Based on the walk-throughs and inquiries, we decided to perform substantive procedures instead of control test procedures for two out of the three policy teams, due to the complexity of Amazon's internal control environment and for efficiency purposes. For one policy team, specifically related to sellers, we relied on the (automated) controls supporting the following control objective:

- Controls provide reasonable assurance that Amazon suspends, for a reasonable period of time and after having issued a prior warning, provision of its services to recipients of the service that frequently provide manifestly illegal content.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
    - inquired with control owners;
    - inspected and observed, through one instance, that all sellers on Amazon have an Account Health Rating (AHR) score and identified that if the AHR score drops below [Confidential] an automated notification (prior warning) is sent out to the seller; identified that after the notification is sent out, [Confidential] ;
    - inspected and observed, through one instance, that a seller has the opportunity to upgrade the AHR by taking remediation action [Confidential] ;
    - inspected the code configuration and identified that if no remediation actions took place, the seller account will be queued for suspension ;
    - observed that, in addition to the email notification, Amazon calls the seller via a pre-enforcement call to inform the seller about the fact that his/her account is at risk;
    - tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.
  4. For the other policy teams' processes (see point (2)), we inspected, through one instance, the process in place and identified that Amazon will suspend, for a reasonable period of time and after having issued a prior warning, the provision of their services to recipients of the service that frequently provide manifestly illegal content.
  5. For each relevant policy team, we reviewed a random selection of cases where Amazon took a decision on suspension and identified that the process as described in the SOP is being followed and that the Specified Requirements are met.
  6. Determined that, when deciding on suspension, Amazon took into account all relevant facts and circumstances apparent from the information available to them. Those circumstances did include points (a) to (d) of the Specified Requirements.
  7. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures in addition to the control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.

<b>Obligation:</b> 23(2) and 23(3)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall suspend, for a reasonable period of time and after having issued a prior warning, the processing of notices and complaints submitted through the notice and action mechanisms and internal complaints-handling systems referred to in Articles 16 and 20, respectively, by individuals or entities or by complainants that frequently submit notices or complaints that are manifestly unfounded.  When deciding on suspension, Amazon shall take into account all relevant facts and circumstances apparent from the information available to them. Those circumstances shall include at least the following:	<b>Materiality threshold:</b> Deviations over 5% where cases do not meet the Specified Requirements.
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	<p>a) the absolute numbers of items of manifestly illegal content or manifestly unfounded notices or complaints, submitted within a given timeframe;</p> <p>b) the relative proportion thereof in relation to the total number of items of information provided or notices submitted within a given timeframe;</p> <p>c) the gravity of the misuse, including the nature of illegal content, and of its consequences;</p> <p>d) where it is possible to identify it, the intention of the recipient of the service, the individual, the entity, or the complainant.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Reasonable period</i>: a fair, appropriate, or sufficient period of time as detailed in the applicable standard operating procedure.</li> <li>- <i>Frequently</i>: With the regularity detailed in the applicable standard operating procedure.</li> </ul>	
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted walk-throughs with all relevant policy teams and inquired with process owners involved in the 'measures and protection against misuse' process, specifically the processing of notices and complaints submitted through the notice and action mechanisms and internal complaints-handling systems referred to in Articles 16 and 20, to understand the processes and controls in place to meet the Specified Requirements.
2. Inspected the design of standard operating procedures (SOP) in place per team related to 'measures and protection against misuse' and identified that these include appropriate steps to meet the Specified Requirements; Furthermore, we identified that different processes are in place for the involved in the 'measures and protection against misuse' process concerning Article 23(2). Based on the walk-throughs and inquiries, we decided to perform substantive procedures for both policy teams.
3. Inspected, through one instance, for [Confidential] the process in place and identified [Confidential]
4. For [Confidential], we reviewed a random selection of cases where Amazon took a decision on suspension and identified that the process as described in the SOP is being followed and that the Specified Requirements are met.
5. Determined that, when deciding on suspension, Amazon took into account all relevant facts and circumstances apparent from the information available to them. Those circumstances did include points a) to d) of the Specified Requirements.
6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.

<b>Obligation:</b> 23(4)	<p><b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon set out, in a clear and detailed manner, in their Terms and Conditions their policy</p>	<p><b>Materiality threshold:</b> Terms and Conditions do not set out, in a clear and detailed manner, their policy in respect of the misuse referred to in</p>
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<p>in respect of the misuse referred to in paragraph 23(1) and shall give examples of the facts and circumstances that they take into account when assessing whether certain behavior constitutes misuse and the duration of the suspension.</p> <p><b>Benchmark(s) used as provided by Amazon:</b>  <i>Terms and Conditions relevant for this obligation: the 'Amazon Services Europe Business Solutions Agreement' and the 'Conditions of Use'.</i></p>	<p>paragraph 23(1) and/or do not give examples of the facts and circumstances that they take into account when assessing whether certain behavior constitutes misuse and the duration of the suspension.</p>
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**Conclusion:**

**Positive with comments** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Reason(s) for the conclusion:**

We identified that the design of specific controls in place and their respective control objectives were not sufficient and appropriate to meet the Specified Requirements. Therefore, we performed substantive procedures to mitigate the audit risks associated with this observation to a sufficient level. Therefore, this observation does not lead to a risk of a material misstatement at the obligation level.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the measures in place to meet the Specified Requirements and identified that 1) Amazon Services Europe Business Solutions Agreement; and 2) Conditions of Use are in scope for this obligation.
2. Inspected both the Amazon Services Europe Business Solutions Agreement and the Conditions of Use and identified that Amazon has set out, in a clear and detailed manner, their policy in respect of the misuse referred to in paragraph 23(1); and we identified that these include examples of the facts and circumstances that Amazon takes into account when assessing whether certain behavior constitutes misuse and the duration of the suspension (i.e., mostly permanent account ban or access restriction with the option to appeal following Article 20).
3. Inspected, as part of our audit procedures for Article 14, that the Amazon Services Europe Business Solutions Agreement and Conditions of Use were in place from the beginning of the Evaluation Period and that changes to both documents are managed appropriately.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures as we identified that the design of the controls in place was not sufficient and appropriate to meet the Specified Requirements.

<p><b>Recommendations on specific measures:</b>          We recommend that Amazon strengthens the design of existing controls and implements additional controls. For example, we recommend implementing a periodic review to assess whether the information required in the Specified Requirements is included in the Amazon Services Europe Business Solutions Agreement and the Conditions of Use.</p>	<p><b>Recommended timeframe to implement specific measures:</b>          1 September 2024 - 31 December 2024</p>
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**Management comments:**

We will consider implementing KPMG's recommendations on specific measures, such as including periodic incremental reviews to assess whether the information required in the Specified Requirements are included in the Amazon Services Europe Business Solutions Agreement and the Conditions of Use.

<p><b>Obligation:</b> 24(1)</p>	<p><b>Specified Requirements:</b>  <b>Audit criteria:</b>          Processes and controls are appropriately designed and operate effectively to ensure that the following information is accurately presented in the transparency reports:</p> <ol style="list-style-type: none"> <li>a) the number of disputes submitted to the out-of-court dispute settlement bodies referred to in Article 21, the outcomes of the dispute settlement, and the median time</li> </ol>	<p><b>Materiality threshold:</b>          Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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<p>Confidential</p>	<p>not consider completing the dispute settlement procedures, as well as the share of disputes where Amazon implemented the decisions of the body; *</p> <p>b) the number of suspensions imposed pursuant to Article 23, distinguishing between suspensions enacted for the provision of manifestly illegal content, the submission of manifestly unfounded notices and the submission of manifestly unfounded complaints.</p> <p><i>* Please note: The development of the DSA out-of-court dispute settlement bodies process envisaged by Article 21 of the Act is still in its early stages and is a work in progress at EC level. Also, the Commission has not yet published a list of appointed out-of-court dispute settlement bodies under Article 21(8) during the Evaluation Period. Therefore, requirement a) is considered out of scope.</i></p>	
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that the transparency reports include details on the number of suspensions imposed pursuant to Article 23, distinguishing between suspensions enacted for the provision of manifestly illegal content, the submission of manifestly unfounded notices and the submission of manifestly unfounded complaints.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners and were informed about the transparency reporting process that includes appropriate validation steps to meet the Specified Requirements;
  - inspected the scoping document and determined that it covers requirement b) of the audit criteria and identified that the calculation metrics logic was approved by senior leadership;
  - inspected, through one instance (i.e., metric in the transparency report), that validation steps are performed by Amazon to validate the completeness and accuracy of the metrics; we identified that the validation steps include a review from the data validation team (e.g., re-calculation and calculation logic review) as well as a review from the leadership team;
  - reviewed a random selection of metrics, for both transparency reports, and re-performed the validation steps; we identified that the metrics as included in the transparency reports were complete and accurate.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<p><b>Obligation:</b> 24(2)</p>	<p><b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon by 17 February 2023 and at least once every six months thereafter shall publish in a publicly available section of their online interface, information on the average monthly active recipients of the service in the Union, calculated as an average over the period of the past six months and in accordance with the methodology laid down in</p>	<p><b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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<p>the delegated acts referred to in Article 33(3), where those delegated acts have been adopted.</p>	<p style="text-align: center;">[Confidential]</p>
<p><b>Conclusion:</b></p> <p><b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> <li>• Include at least once every six months, the average monthly active recipients of services (calculated in accordance with the methodology laid down in the delegated acts referred to in Article 33(3), where those delegated acts have been adopted) in a publicly available section of our online interface.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> <li>• inquired with control owners and were informed about the transparency reporting process that includes appropriate validation steps to meet the Specified Requirements; furthermore, we are informed that the average monthly active recipients of the service in the Union per Member State are included in the transparency reports;</li> <li>• inspected the transparency report webpage on which the reports can be downloaded and identified that reports are published in in a machine-readable format (i.e., CSV). Moreover, a supplementary PDF is available; We identified that the reports include the average monthly active recipients of the service in the Union broken down by Member State;</li> <li>• inspected the scoping document and determined that it covers the requirement to include the average monthly active recipients of the service in the Union by Member State; and identified that the calculation metric logic was approved by senior leadership;</li> <li>• inspected, through one instance (i.e., metric in the CSV version of the transparency report), that validation steps are performed by Amazon to validate the completeness and accuracy of the metrics; we identified that the validation steps include a review from the data validation team (e.g., re-calculation and calculation logic review) as well as a review from the leadership team;</li> <li>• reviewed a random selection of metrics, for both transparency reports, and re-performed the validation steps; we identified that the metrics as included in the transparency reports were complete and accurate.</li> </ul> </li> </ol> <p><b>Changes to the audit procedures and/or systems and functionalities during the audit:</b></p> <p>N/A</p>	

<p><b>Obligation:</b> 24(3)</p>	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that Amazon communicates to the Digital Services Coordinator of establishment and the Commission, upon their request and without undue delay, the information referred to in Article 24(2), updated to the moment of such request.</p> <p>That the Digital Services Coordinator or the Commission may require Amazon to provide additional information with regard to the calculation referred to in Article 24(2), including explanations and substantiation in respect of the data used. That information shall not include personal data.</p>	<p><b>Materiality threshold:</b></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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	<p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Without undue delay:</i> within the period of time requested by the Digital Services Coordinator of establishment or the Commission where technically possible, or otherwise without excessive waiting or postponement.</li> </ul>	
<p><b>Conclusion:</b></p> <p><b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *</p> <p><i>* Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.</i></p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> <li>• Communicate to the Luxembourg Digital Services Coordinator and the Commission, upon their request and without undue delay, the information referred to in Article 24(2) updated to the moment of such request.</li> </ul> </li> <li>3. Tested the controls following the control objective above and identified that these were suitably designed. As part of our audit procedures, we have: <ul style="list-style-type: none"> <li>• inquired with control owners;</li> <li>• inspected communication in which Amazon informed the Commission about the email address to communicate with their single point of contact;</li> <li>• inspected that the email address to communicate with the single point of contact designated by Amazon was implemented from the beginning of the compliance period;</li> <li>• inspected that the email address inbox was monitored during the Evaluation Period;</li> <li>• based on inquiry and a sanity check using publicly available information (i.e., website Commission) we identified that the Luxembourg Digital Services Coordinator (‘Autorité de la concurrence’) and the Commission did not request the information described in the audit criteria during the Evaluation Period; therefore, we could not assess the implementation and operating effectiveness of this process.</li> </ul> </li> </ol> <p><b>Changes to the audit procedures and/or systems and functionalities during the audit:</b></p> <p>N/A</p>		

<p><b>Obligation:</b> 24(5)</p>	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall without undue delay, submit to the Commission the decisions and the statements of reasons referred to in Article 17(1) for the inclusion in a publicly accessible machine-readable database managed by the Commission. Amazon shall ensure that the information submitted does not contain personal data.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Without undue delay:</i> Within [Confidential] where technically possible, or otherwise without excessive waiting or postponement</li> </ul>	<p><b>Materiality threshold:</b></p> <p>Deviations over 5% where cases do not meet the Specified Requirements.</p>
<p><b>Conclusion:</b></p>		

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. \*

\* Please note: The process of submitting statement of reasons to the publicly accessible database (Article 24(5)) is different from the systems and processes that were assessed as part of the Article 17 procedures. Therefore, the observations identified for Article 17 are not impacting our test procedures for Article 24(5).

**Audit procedures, results and information relied upon:**

1. Conducted walk-throughs with all teams involved in the 'real-time reporting' process to understand the processes and controls in place to meet the Specified Requirements and identified that Amazon has a comprehensive control framework in place.
2. We reviewed the control framework and process in place and determined, for efficiency purposes, to perform substantive procedures instead of control test procedures.
3. For one statement of reason, we have compared the requirements of Article 17(2), points (a) to (f) as included in the statement of reason with the information as presented in the publicly accessible database and identified no differences.
4. We extracted all relevant statement of reasons records from the publicly accessible database and compared the data (100% match) with the extracts obtained from Amazon's systems supporting the process of providing statement of reasons to recipients of the service. Through data analysis, we have determined that Amazon submitted all statements of reasons to the publicly accessible database during the Evaluation Period.
5. We reviewed a random selection of statements of reasons and compared the information required under Article 17(2), points (a) to (f) with the information included in the publicly accessible database. We determined that Amazon accurately uploaded the required information to the publicly accessible database during the evaluation period.
6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the systems and processes in the period between testing the operating effectiveness and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.

<b>Obligation:</b> 25(1) and 25(2)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Amazon's online interfaces are appropriately designed and operate effectively to ensure these interfaces are not designed, organized, or operated in a way that deceives or manipulates the recipients of their service or in a way that otherwise materially distorts or impairs the ability of the recipients of their service to make free and informed decisions.  This does not apply to practices covered by Directive 2005/29/EC (Transactional decisions by consumers) or Regulation (EU) 2016/679 (Decisions regarding processing of personal data)  <b>Benchmark(s) used as provided by Amazon:</b> - Amazon determined the following set of online interfaces to be in scope: [Confidential] <div style="background-color: white; width: 100%; height: 20px; margin-top: 5px;"></div>	<b>Materiality threshold:</b> <i>For the procedures where we relied on controls:</i> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.  <i>For the substantive procedures:</i> Online interfaces are identified during the Evaluation Period that deceive or manipulate the recipients of their service; or operate in a way that materially distorts or impairs the ability of the recipients of their service to make free and informed decisions.
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**Conclusion:**

**Positive with comments** – In our opinion, The Specified Requirements were met during the Evaluation Period, in all material respects.

**Reason(s) for the conclusion:**

We identified that the design of the controls in place supporting the control objective were not sufficient and appropriate to meet the Specified Requirements. Therefore, we performed substantive procedures to mitigate the audit risks associated with this observation to a sufficient level.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are partially sufficient and appropriate to meet the Specified Requirements:
  - Ensure that the Amazon EU Stores are designed, organized, and operated in a way that does not deceive or manipulate the recipients of its services or in a way that otherwise materially distorts or impairs the ability of the recipient of its service to make free and informed decisions.
3. Due to the observation of point (2), we have performed control test procedures for the control objective above as well as performed additional substantive procedures (see point (5)).
4. Tested the processes and controls supporting the control objective above and identified that except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with the control owners and were informed that legal guidelines are in place for product teams to ensure that the design, organization, and operation of the Store is carried out in a way that does not deceive or manipulate the recipients of the service or impair their ability to make free and informed decisions;  
  
[Confidential]
  - inspected the guidelines and identified that these contain requirements that must be followed by the relevant product teams; these guidelines include formatting requirements, mandatory content, and adequate placement of such content on the Store;
  - inspected that the guidelines are published on the Amazon internal website;
  - inquired with the control owners and were informed that [Confidential]
  - inspected, through one instance, the audit performed [Confidential]
5. As a result of the controls being only partially sufficient and appropriate to meet the Specified Requirements, we performed additional substantive procedures in which we have:
  - inspected the online interfaces in scope at a point in time against Amazon's legal guidelines and Recital 67 of the Act and determined that these interfaces were designed and implemented in a way that meets the Specified Requirements.
6. Tested relevant General IT Controls as part of the audit procedures for Articles 16, 20 and 38, specifically change management controls and identity access management controls, and determined that the relevant online interfaces in scope were implemented and operating effectively throughout the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures in addition to control test procedures because the design of the controls in place was only partially sufficient and appropriate to meet the Specified Requirements.

<p><b>Recommendations on specific measures:</b></p> <p>We recommend that Amazon strengthens the design of existing controls and implements additional controls to meet the Specified Requirements throughout the Evaluation Period. For example, we recommend implementing controls covering a periodic review of the online interfaces in scope to evaluate whether these interfaces are not designed, organized, or operated in a way that deceives or manipulates the recipients of their service or in a way that otherwise materially distorts or impairs the ability of the recipients of their service to make free and informed decisions on the Amazon platform.</p>	<p><b>Recommended timeframe to implement specific measures:</b></p> <p>1 September 2024 to 31 December 2024</p>
<p><b>Management comments:</b></p> <p>Amazon will consider KPMG’s recommendations on specific measures to meet the Specified Requirements and assess the need to introduce incremental controls.</p>	

<p><b>Obligation:</b> 26(1)</p>	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that recipients of Amazon Store are able to identify, in a clear, concise, and unambiguous manner and in real-time, the following:</p> <ol style="list-style-type: none"> <li>a) that the information is an advertisement, including through prominent markings, which might follow standards pursuant to Article 44 of the Act;</li> <li>b) the natural or legal person on whose behalf the advertisement is presented;</li> <li>c) the natural or legal person who paid for the advertisement if that person is different from the natural or legal person referred to in point (b);</li> <li>d) meaningful information directly and easily accessible from the advertisement about the main parameters used to determine the recipient to whom the advertisement is presented and, where applicable, about how to change those parameters.</li> </ol> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Clear, concise, and unambiguous manner:</i> succinct, straightforward, and easily understandable manner.</li> </ul>	<p><b>Materiality threshold:</b></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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<p><b>Conclusion:</b></p> <p><b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon’s (automated) controls, under the following control objective, are sufficient and appropriate to meet the Specified Requirements:             <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that for each specific advertisement presented to each individual recipient, the recipient can identify, in a clear, concise, and unambiguous manner and in real-time, the information listed in the audit criteria (a-d).</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:             <ul style="list-style-type: none"> <li>• inquired with control owners;</li> </ul> </li> </ol>
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- observed the Amazon EU Store online interface and identified that advertisement content can be recognized by means of prominent marking (i.e., ‘Sponsored i’ marker is shown under the advertisement);
  - observed the Amazon EU Store online interface and identified that when clicking on the ‘Sponsored i’ marker, a popup shows the required information listed in the audit criteria (b-d);
  - inspected that the information as listed in the audit criteria (a-d) is shown in a clear, concise, and unambiguous manner and in real-time following the benchmark provided by Amazon and documented above;
  - inspected through one instance, that the advertisement was marked with ‘Sponsored i’ and that by clicking on it, it showed accurate and complete information as listed in the audit criteria (a-d);
  - inspected, by assessing the code configuration, that these advertisement transparency mechanisms were in place from the beginning of the compliance period.
4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 26(3)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to not present advertisements to recipients of the service based on profiling as defined in Article 4(4) of Regulation (EU) 2016/679 (GDPR) using special categories of personal data referred to in Article 9(1) of Regulation (EU) 2016/679 (GDPR).	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that advertisement campaigns to recipients of the service based on profiling do not use special categories of personal data.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners that informed us that no special categories of personal data are being used when presenting advertisements to recipients of the EU Store based on profiling;
  - inspected, for a selection of advertisement campaigns in the EU Store that are based on profiling that no special categories of personal data were used.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 27(1)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon completely and accurately set out in their Terms and Conditions, in plain and intelligible language, the main parameters used in their recommender systems, as well as any options for the recipients of the service to modify or influence those main parameters.  <b>Benchmark(s) used as provided by Amazon:</b> <ul style="list-style-type: none"> <li>- <i>Plain and intelligible language:</i> straightforward and capable of being easily understood or comprehended.</li> <li>- <i>Relevant sections of the Terms and Conditions:</i> 'Conditions of Use', specifically the underlying linked page: 'Finding Products in the Amazon store'.</li> <li>- <i>Scope of recommender systems:</i> Amazon does not consider that it is the intention of the Act to capture advertisements within recommender systems. Hence, only non-advertisement recommender systems are in scope.</li> </ul>	<b>Materiality threshold:</b> Internal controls and processes are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Negative** – In our opinion, because of the significance of the matters described in the following paragraph, the Specified Requirements are not met during the Evaluation Period, in all material respects.

**Reason(s) for the conclusion:**

We identified that the design of the controls in place and their respective control objectives were not sufficient and appropriate to meet the Specified Requirements. Therefore, we performed substantive procedures to mitigate the audit risks associated with this observation to a sufficient level, except for the following observation:

- We identified that the distinction between main and non-main parameters is not well-defined in the Terms and Conditions.
- We identified that Amazon could not provide us with sufficient evidence to demonstrate the completeness and accuracy of the recommender systems, the main or non-main parameters and on the functionality to modify or influence those main parameters presented in their Terms and Conditions during the Evaluation Period.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are partially sufficient and appropriate to meet the Specified Requirements:
  - Controls provides reasonable assurance that where recommender systems are used, the terms and conditions set out the main parameters used in those recommender systems and any options for recipients of the service to modify or influence those main parameters.
  - Controls provides reasonable assurance that where recommender systems are used, the terms and conditions set out the elements required by Articles 27(1) and 27(2) in plain and intelligible language.
3. Tested the processes and controls supporting the control objectives above and identified that except for the observation identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners and were informed that a hyperlink is included in the terms and conditions (i.e., 'Conditions of Use') to the 'Finding Products in the Amazon Store' that provides transparency about the recommender systems;

- inspected that Amazon performs a legal review to ensure that the terms and conditions contain the information required as per the specified requirements.
  - inspected Amazon's content style guide to ensure the specified requirements for the information in the terms and conditions are written in plain and intelligible language.
4. Due to the observations of point (2), we have performed control test procedures for the control objectives above as well as performed additional substantive procedures (see point (5)).
  5. By performing additional substantive procedures, we have:
    - inspected the 'Finding Products in the Amazon Store' page and determined the observations as documented under the 'Reason(s) for the conclusion' paragraph above.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures in addition to control test procedures as we identified that the design of the controls in place was not sufficient and appropriate to meet the Specified Requirements.

**Recommendations on specific measures:**

We recommend that Amazon to implement additional controls that are sufficient and appropriate to meet the specified requirements throughout the audit period. For example, we recommend implementing a periodic control to evaluate the completeness and accuracy of the recommender systems included on the 'Finding Products in the Amazon Store' page; and implementing a control covering a periodic review of the completeness and accuracy of the main parameters used and existing options to modify or influence these.

**Recommended timeframe to implement specific measures:**

1 September 2024 – 31 March 2025

**Management comments:**

Amazon had to prioritize a request for information from the European Commission concurrently, which prevented us from managing the two competing priorities and providing sufficient evidence to meet the auditor's request. Nonetheless, we cooperated and provided information on these new audit areas while also engaging with the European Commission on related matters. We are committed to addressing this in future audits.

**Obligation:**  
27(2)

**Specified Requirements:**

**Audit criteria:**

Processes and controls are appropriately designed and operate effectively to ensure that the main parameter referred to in Article 27(1) shall explain why certain information is suggested to the recipient of the service. They shall include, at least:

- a) the criteria which are most significant in determining the information suggested to the recipient of the service;
- b) the reasons for the relative importance of those parameters.

**Benchmark(s) used as provided by Amazon:**

- *Most significant:* factor that carries the highest impact.
- *Scope of recommender systems:* [Confidential]

**Materiality threshold:**

Internal controls and processes are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

**Conclusion:**

**Negative** – In our opinion, because of the significance of the matters described in the following paragraph, the Specified Requirements are not met during the Evaluation Period, in all material respects.

**Reason(s) for the conclusion:**

We identified that the design of the controls in place and their respective control objectives were not sufficient and appropriate to meet the Specified Requirements. Therefore, we performed substantive procedures to mitigate the audit risks associated with this observation to a sufficient level, except for the following observation:

- We identified that Amazon could not provide us with sufficient evidence to support whether the criteria presented in their Terms and Conditions during the Evaluation Period are most significant in determining the information suggested to the recipient of the service through the recommender systems; and whether the reasons presented for the relative importance of the parameters are complete and accurately presented during the Evaluation Period.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are partially sufficient and appropriate to meet the Specified Requirements:
  - Control provides reasonable assurance that where recommender systems are used, the terms and conditions explain why certain information is suggested to the recipient of the service and include at least the elements required by Article 27(2), points (a) and (b).
3. Tested the processes and controls supporting the control objectives above and identified that except for the observation identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners and were informed that a hyperlink is included in the terms and conditions (i.e., 'Conditions of Use') to the 'Finding Products in the Amazon Store' that provides transparency about the recommender systems;
  - inspected that Amazon performs a legal review to ensure that the terms and conditions contain the information required as per the specified requirements.
  - inspected Amazon's content style guide to ensure the specified requirements for the information in the terms and conditions are written in plain and intelligible language.
4. Due to the observations of point (2), we have performed control test procedures for the control objectives above as well as performed additional substantive procedures (see point (5)).
5. By performing additional substantive procedures, we have:
  - Inspected the 'Finding Products in the Amazon Store' page and determined the observations as documented under the 'Reason(s) for the conclusion' paragraph above.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures in addition to control test procedures as we identified that the design of the controls in place was not sufficient and appropriate to meet the Specified Requirements.

**Recommendations on specific measures:**

We recommend that Amazon to implement additional controls that are sufficient and appropriate to meet the specified requirements throughout the audit period. For example, we recommend implementing a periodic control to evaluate the completeness and accuracy of the recommender systems included on the 'Finding Products in the Amazon Store' page; and implementing a control covering a periodic review of the criteria which are most significant in determining the information suggested to the recipient of the service and the reasons for the relative importance of those parameters.

**Recommended timeframe to implement specific measures:**

1 September 2024 – 31 March 2025

**Management comments:**

Amazon had to prioritize a request for information from the European Commission concurrently, which prevented us from managing the two competing priorities and providing sufficient evidence to meet the auditor's request. Nonetheless, we cooperated and provided information on these new audit areas while also engaging with the European Commission on related matters. We are committed to addressing this in future audits.

<b>Obligation:</b> 27(3)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Amazon's systems are appropriately designed and operate effectively to ensure that Amazon shall also make available a functionality that allows the recipient of the service to select and to modify at any time their preferred option. That functionality shall be directly and easily accessible from the specific section of the online platform's online interface where the information is being prioritized.  <b>Benchmark(s) used as provided by Amazon:</b> <ul style="list-style-type: none"> <li>- <i>Directly</i>: without intermediaries.</li> <li>- <i>Easily accessible</i>: readily available with minimal effort or obstacles.</li> <li>- <i>Scope of recommender systems</i>: [Confidential]</li> </ul>	<b>Materiality threshold:</b> Internal controls and processes are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Negative** – In our opinion, because of the significance of the matters described in the following paragraph, the Specified Requirements are not met during the Evaluation Period, in all material respects.

**Reason(s) for the conclusion:**

We identified that the design of the controls in place and their respective control objectives were not sufficient and appropriate to meet the Specified Requirements. Therefore, we performed substantive procedures to mitigate the audit risks associated with this observation to a sufficient level, except for the following observation:

- We identified that Amazon could not provide us with sufficient evidence to support whether the preferred option to select and modify the relative order of information presented via the 'Sort By' function was operating effectively throughout the Evaluation Period.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Control provides reasonable assurance that where several options are available for recommender systems that determine the relative order of information presented to recipients of the service, functionality is made available that allows the recipient of the service to select and modify at any time their preferred option.
3. Tested the processes and controls supporting the control objectives above and identified that except for the observation identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners and were informed that the 'Sort By' function that is described on the 'Finding Products in the Amazon Store' page is available for recipients of the service when searching for products and/or services;
  - inspected, through one instance, the 'Sort By' functionality and identified that the relative order of information presented to recipients of the service can be modified and is directly and easily accessible from the specific section of the online interface following the benchmark as provided by Amazon and our professional judgment.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures in addition to control test procedures as we identified that the design of the controls in place was not sufficient and appropriate to meet the Specified Requirements.

**Recommendations on specific measures:**

We recommend that Amazon strengthens the design of existing controls and implements additional controls to meet the Specified Requirements throughout the Evaluation Period. For example, we recommend implementing controls covering a periodic review, for each of the functionalities in scope, to assess accessibility, availability, and effective operation.

**Recommended timeframe to implement specific measures:**

1 September 2024 – 31 March 2025

**Management comments:**

Amazon had to prioritize a request for information from the European Commission concurrently, which prevented us from managing the two competing priorities and providing sufficient evidence to meet the auditor's request. Nonetheless, we cooperated and provided information on these new audit areas while also engaging with the European Commission on related matters. We are committed to addressing this in future audits.

**Obligation:**

28(1) and 28(3)

**Specified Requirements:**

**Audit criteria:**

Processes and controls are appropriately designed and operate effectively to ensure that Amazon has in place appropriate and proportionate measures to ensure a high level of privacy, safety, and security of minors, on their service. \*

*\* Compliance with the obligations set out in this Article shall not oblige Amazon to process additional personal data in order to assess whether the recipient of the service is a minor.*

**Materiality threshold:**

Internal controls and processes are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

**Positive with comments** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Reason(s) for the conclusion:**

While we identified that the controls in scope to support the control objective are implemented and operate effectively, we identified opportunities to further strengthen the privacy, safety, and security of minors, for example, by considering guidance such as the better internet for kids (BIK+) and future guidelines that will be issued under Article 28(4).

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Control provides reasonable assurance that Amazon puts in place appropriate and proportionate measures to ensure a high level of privacy, safety, and security of minors, on their service.
3. Tested the processes and controls supporting the control objectives above and identified that except for the observation identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners and were informed that Amazon prohibits the use of the Store for recipients of the service who are under 18 and that recipients of the service who are under 18 can only use the store with the involvement of a parent or guardian; furthermore, we were informed that a policy is in place that describes that if Amazon receives evidence that an account has been registered by a child, they take action to enforce the account (i.e., suspend and delete);
  - inspected Amazon's Conditions of Use and Sale and identified that Amazon included the following text that prohibits children from using the services of the Store without the involvement of a parent or guardian:
 

*"We do not sell products for purchase by children. We sell children's products for purchase by adults. If you are under 18 you may use the Amazon Services only with the involvement of a parent or guardian"*

- inspected the design of the policy to report a child account and determined that it included the appropriate information to meet the Specified Requirements;
  - inspected the 'Report a Child Account' page and identified that it describes how recipients of the service can report an account if they become aware of a child that created an Amazon account;
  - inspected, through one instance, a ticket in which a child account was reported and identified that the account was blocked for usage of the Store following Amazon's policy;
  - inspected the data protection impact assessment (DPIA) and identified that Amazon does not collect personal data for recipients of the service who are under 18;
  - inspected the [Confidential]
- ;
- reviewed a random selection of tickets and identified that the accounts were blocked for usage of the Store when Amazon became aware of an account that was used by a minor following Amazon's policy.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Recommendations on specific measures:**

We recommend Amazon to consider guidance such as the BIK+ and future guidelines that will be issued under Article 28(4) to evaluate whether additional controls should be included or whether existing controls should be strengthened.

**Recommended timeframe to implement specific measures:**

1 September 2024 – 31 March 2025

**Management comments:**

Amazon will consider KPMG's recommendations on specific measures to meet the Specified Requirements, including considering the future guidelines that will be issued under Article 28(4).

**Obligation:**  
28(2) and 28(3)

**Audit criteria:**

Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall not present advertisements on their interface based on profiling as defined in Article 4, point (4), of Regulation (EU) 2016/679 (i.e., GDPR) using personal data of the recipient of the service when they are aware with reasonable certainty that the recipient of the service is a minor. \*

*\* Compliance with the obligations set out in this Article shall not oblige Amazon to process additional personal data in order to assess whether the recipient of the service is a minor.*

**Materiality threshold:**

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon does not present advertisements based on profiling using personal data of the recipient of the service when they are aware with reasonable certainty that the recipient of the service is a minor.

3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:

- inquired with Amazon and were informed that Amazon does not present advertisements  
[Confidential]
- through our procedures for Article 28(1), we identified that measures are in place  
[Confidential]
- inspected the data protection impact assessment (DPIA)  
[Confidential]
- [Confidential]

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Section 4 – Additional provisions applicable to providers of online platforms allowing consumers to conclude distance contracts with traders**

<b>Obligation:</b> 30(1)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that traders can only use the Store to promote messages on or to offer products or services to consumers located in the Union if, prior to the use of the Store for that purpose, they have obtained the following information, where applicable to the trader: <ol style="list-style-type: none"> <li>a) the name, address, telephone number and email address of the trader;</li> <li>b) a copy of the identification document of the trader or any other electronic identification as defined by Article 3 of Regulation (EU) No 910/2014 of the European Parliament and of the Council;</li> <li>c) the payment account details of the trader;</li> <li>d) where the trader is registered in a trade register or similar public register, the trade register in which the trader is registered and its registration number or equivalent means of identification in that register;</li> <li>e) a self-certification by the trader committing to only offer products or services that comply with the applicable rules of Union law.</li> </ol>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:</li> </ol>		

- Controls provide reasonable assurance that prior to allowing traders to use the Store service to promote messages or offer products or services to consumers located in the Union, Amazon obtains the information in Article 30(1), points (a) to (e).
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
    - inquired with control owners and were informed that traders must provide relevant personal and business information to comply with the identification and verification measures via the 'Seller Central' platform;
    - inspected, through one instance, Amazon's trader onboarding and verification process and determined that their process requires the collection of the information in Article 30(1), points (a) to (e) via 'Seller Central';
    - inspected, through one instance and by assessing the code configuration, the onboarding and verification process for traders on 'Seller Central' and determined that it automatically restricts the traders from listing items on the Store if the verification process has not been successfully completed yet.
  4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.
  5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 30(2)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that: <ol style="list-style-type: none"> <li>a) upon receiving the information referred to in Article 30(1) and prior to allowing the trader concerned to use the Store, Amazon shall, through the use of any freely accessible official online database or online interface made available by a Member State or the Union or through requests to the trader to provide supporting documents from reliable sources, make best efforts to assess whether the information referred to in Article 30(1), points (a) to (e), is reliable and complete;</li> <li>b) with regard to traders that are already using the Store allowing consumers to conclude distance contracts with traders for the purposes referred to in Article 30(1) on 17 February 2024, Amazon shall make best efforts to obtain the information listed from the traders concerned within twelve months. Where the traders concerned fail to provide the information within that period, Amazon shall suspend the provision of their services to those traders until they have provided all information. *</li> </ol> <p><i>* Please note: The development of the twelve-month period will end on 16 February 2025. Therefore, for the current audit period this requirement is not applicable. Therefore, requirement (b) is considered out of scope.</i></p>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Benchmark(s) used as provided by Amazon:</b>		

	- <i>Best efforts</i> : undertaking a risk-based approach to seller verification based on risk signals as detailed in policy documents.	
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance to ensure that, on receiving the information referred to in Article 30(1) and prior to allowing the trader concerned to use the Store, Amazon makes best efforts to assess whether that information is reliable and complete.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected, through one instance, that new sellers registering on the Store first undergo an automated two-step authentication process. This involves confirming both their email address and phone number via one-time passwords (OTPs);
  - inspected, through one instance, that new sellers are required to register the information in Article 30(1), points (a) to (e) via Seller Central, including their identity, address, and payment details;
  - inspected, through one instance, Amazon’s trader onboarding process and determined that their trader onboarding process is organized in a way that the team performs manual trader identity, address, and trader registration details verification;
  - reviewed a random selection of verification cases and identified that the manual verification steps performed by Amazon were appropriate to meet the Specified Requirements;
  - [Confidential]
  - by performing the above procedures, we identified that Amazon makes best efforts following the benchmark as provided by Amazon, to assess whether the information referred to in Article 30(1), points (a) to (e), is reliable and complete.
4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.
5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 30(3)	<b>Specified Requirements:</b> <i>Audit criteria:</i>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or
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<p>Processes and controls are appropriately designed and operate effectively to ensure that where Amazon obtains sufficient indications or has reason to believe that any item of information referred to in Article 30(1) obtained from the trader concerned is inaccurate, incomplete or not up to date, Amazon requests that the trader remedy that situation without delay or within the period set by Union and national law.</p> <p>Where the trader fails to correct or complete that information, Amazon shall swiftly suspend the provision of its service to that trader in relation to the offering of products or services to consumers located in the Union until the request has been fully complied with.</p>	<p>implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that where Amazon obtains sufficient indications or has reason to believe that any item of information referred to in Article 30(1) obtained from the trader concerned is inaccurate, incomplete or not up to date, it requests that the trader remedy that situation without delay or within the period set by Union and national law.
  - Controls provide reasonable assurance that where the trader fails to correct or complete that information, Amazon swiftly suspends the provision of its service to that trader in relation to the offering of products or services to consumers located in the Union until the request has been fully complied with.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners and were informed that traders have to provide relevant personal and business information to comply with the identification and verification measures via the Seller Central platform and before they can use the Store to promote messages on or to offer products or services to consumers located in the Union; also, we are informed that when Amazon obtained information that is inaccurate, incomplete or not up to date, they request additional documents/information and communicate this manually (e.g., specifying the issue with the document and correction needed) with the trader;
  - inspected, through one instance, Amazon's trader onboarding and verification process and determined that their process requires the collection of the information in Article 30(1), points (a) to (e) via Seller Central;
  - inspected, through one instance, that when traders have not delivered all required information yet, or if the information is not deemed sufficient to pass the verification process, Amazon requests additional documents/information and communicates this manually (e.g., specifying the issue with the document and correction needed) with the trader;
  - inspected, through one instance and by assessing the code configuration, the onboarding and verification process for traders on Seller Central and determined that it automatically restricts the traders from listing items on the Store if the verification process has not been successfully completed yet.
4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.
5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 30(4)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that where Amazon refuses to allow a trader to use its service pursuant to Article 30(1) or suspends provision of its service pursuant to Article 30(3), Amazon ensures that the trader concerned has the right to lodge a complaint under Articles 20 and 21 of the Act.  <i>* Please note: The development of the DSA out-of-court dispute settlement bodies process envisaged by Article 21 of the Act is still in its early stages and is a work in progress at EC level. Also, the Commission has not yet published a list of appointed out-of-court dispute settlement bodies under Article 21(8) during the Evaluation Period.</i>  <i>Therefore, the requirement to lodge complaints following Article 21 is considered out of scope.</i>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that prospective sellers who do not pass the registration team’s processes have the ability to lodge a complaint via Seller Central; a case is created in [Confidential] and an investigator from the [Confidential] manually reviews the complaint from the trader in accordance with an SLA.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. Please refer to Article 20 for the audit procedures and conclusions.
4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.
5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 30(5)	<b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that the information obtained pursuant to Articles 30(1) and 30(2) is stored in: <ol style="list-style-type: none"> <li>a) a secure manner; and</li> <li>b) for a period of six months after the end of the contractual relationship with the trader concerned and deletes the</li> </ol>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the audit criteria.
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information obtained pursuant to Articles 30(1) and 30(2) after the six-month period.	
<p><b>Conclusion:</b>  <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the audit criteria.</li> <li>2. Identified that Amazon’s controls, supporting the following control objective, cover the DSA obligation:           <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that Amazon stores and maintains the information obtained pursuant to Articles 30(1) and 30(2) in compliance with all applicable laws, including its obligations pursuant to the General Data Protection Regulation and applicable payments regulations.</li> </ul> </li> <li>3. Tested the controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:           <ul style="list-style-type: none"> <li>• inquired with process owners and were informed that data is securely stored within Seller Central and underlying databases; also, we were informed that Amazon [Confidential]</li> </ul> </li> </ol> <ol style="list-style-type: none"> <li>• inspected, as part of the audit procedures that we performed for obligations 30(1) - 30(4) that data is stored within Seller Central and underlying databases;</li> <li>• tested relevant General IT Controls, specifically identity access management controls, and determined that the relevant IT systems and functionalities that support the secure data storage were operating effectively throughout the Evaluation Period.</li> </ol> <ol style="list-style-type: none"> <li>4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.</li> </ol> <p><b>Changes to the audit procedures and/or systems and functionalities during the audit:</b>          N/A</p>	

<b>Obligation:</b> 30(6)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon only discloses the information to third parties where so required in accordance with the applicable law, including the orders referred to in Article 10 and any orders issued by Member States’ competent authorities or the Commission for the performance of their tasks under the Act.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<p><b>Conclusion:</b>  <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. *</p> <p><i>* Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.</i></p>		

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Communicate to the Luxembourg Digital Services Coordinator and the Commission, upon their request and without undue delay, the information referred to in Article 30(2) updated to the moment of such request.
3. Tested the controls following the control objective above and identified that these were suitably designed. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected communication in which Amazon informed the Commission about the email address to communicate with their single point of contact;
  - inspected that the email address to communicate with the single point of contact designated by Amazon was implemented from the beginning of the compliance period;
  - inspected that the email address inbox was monitored during the Evaluation Period;
4. Based on inquiry with Amazon and a sanity check using publicly available information (i.e., website Commission) we identified that the Luxembourg Digital Services Coordinator and the Commission did not request the information as described in the Specified Requirements during the Evaluation Period; therefore, we could not assess the implementation and operating effectiveness of this process.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 30(7)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon makes the information available on its online platform referred to in 30(1) (a), (d) and (e) to the recipients of the service in clear, easily accessible, and comprehensible manner.  <b>Benchmark(s) used as provided by Amazon:</b> - <i>Clear, easily accessible, and comprehensible manner:</i> within one click from the 'Product Detail Page'.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance to ensure that Amazon makes the information referred to in Articles 30(1), points (a), (d) and (e) available on its online platform to recipients of the service in a clear, easily accessible, and comprehensible manner.
3. Tested the controls following the control objective above and identified that these were suitably designed. As part of our audit procedures, we have:
  - inquired with control owners and were informed that the information is visible through an interface from Seller Central to the Amazon Store; we were also informed that the information is presented within one click from the 'Product Detail Page' by clicking on the name presented at 'Sold By'; we

were informed that information is shown for both individual and business sellers, but that address information is only shown for business sellers;

- we inquired Amazon on the reasons for not providing the address information of individual sellers and were informed that:

*"Amazon confirmed that it collects all of the relevant information on Individual Sellers, namely sellers that may not be acting for purposes related to their trade, business, craft or profession. However, in order to ensure adherence to privacy related obligations, the information publicly displayed is limited to that which is strictly necessary."*

We determined that the reason for not providing address information for individual sellers is legitimate and therefore don't consider this to be an observation for not meeting the Specified Requirements;

- inspected, for both individual sellers and business sellers, that the information in the Specified Requirements is completely and accurately presented on the Amazon Store;
  - inspected, for both individual sellers and business sellers, that the information is presented in a clear, easily accessible, and comprehensible manner, following the benchmark provided by Amazon.
4. Tested that the interface in which data is interfaced from Seller Central and presented on the Amazon Store and determined that it is monitored for exceptions, and that identified exceptions are processed timely by Amazon.
  5. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.
  6. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 31(1)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon's online interface is designed and organized in a way that enables traders to comply with their obligations regarding pre-contractual information, compliance and product safety information under applicable Union law and, in particular, to enable traders to provide information on the name, address, telephone number and email address of the economic operator, as defined in Article 3(13) of Regulation (EU) 2019/1020 and other Union law (on market surveillance and compliance of products).	<b>Materiality threshold:</b> The online interface is not designed and organized in a way to meet the Specified Requirements throughout the Evaluation Period.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. Based on the walk-throughs and inquiries, we decided to perform substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.</li> <li>2. Inspected the design of the processes and help pages related to the collection of information on traders to comply with the market surveillance and compliance of products regulations and identified that these require traders to provide information on their name, address, telephone number and email address where an EU representative needs to be available on the product, packaging or accompanying document for CE-marked products<sup>1</sup> sold on the Store.</li> </ol>		

3. Inspected, through one instance, the process and technical functionalities that Amazon has implemented to enable traders to provide information on their name, address, telephone number and email address of the economic operator<sup>2</sup> and confirmed that those functionalities are available for traders in Amazon's Seller Central.
4. Inspected, through one instance, the process and technical functionalities that Amazon has implemented to suppress products (by using their unique identifier, the Amazon Standard Identification Number) for which the relevant information has not been provided yet.
5. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.

<sup>1</sup>The CE mark is a self-certification mark applied to a product by the manufacturer. The CE mark indicates that the product meets health, safety, and environmental protection standards for the European Economic Area (EEA).

<sup>2</sup>Economic operator refers to the manufacturer, the authorized representative, the importer, the distributor, the fulfilment service provider or any other natural or legal person who is subject to obligations in relation to the manufacture of products, making them available on the market or putting them into service in accordance with the relevant Union harmonization legislation. Source Article 3, point (13), of Regulation (EU) 2019/2020.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.

<b>Obligation:</b> 31(2)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon's online interface is designed and organized in a way that allows traders to provide at least the following: <ol style="list-style-type: none"> <li>a) the information necessary for the clear and unambiguous identification of the products or the services promoted or offered to consumers located in the Union through the services of the providers;</li> <li>b) any sign identifying the trader, such as the trademark, symbol, or logo; and</li> <li>c) where applicable, information concerning the labelling and marking in compliance with rules of applicable Union law on product safety and product compliance.</li> </ol>	<b>Materiality threshold:</b> The online interface is not designed and organized in a way to meet the Specified Requirements throughout the Evaluation Period.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. Based on the walk-throughs and inquiries, we decided to perform substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.</li> <li>2. Inspected the design of the processes and help pages related to the collection of information on products, signs identifying the trader, and information concerning the labelling and marking in compliance with applicable Union law on product safety and product compliance; and identified that traders can provide this information by uploading images or documents in Amazon's Seller Central.</li> <li>3. Inspected the design of the standard operating procedures on the content moderation process for product safety information and determined that these were appropriate to meet the Specified Requirements.</li> <li>4. Inspected, through one instance, that Amazon implemented processes and technical functionalities in their Seller Central for traders to add product information, such as images, manuals, or other relevant information for their listings (i.e., the products traders offer on the Store) to show the safety and</li> </ol>		

compliance information available on their products or packaging and determined that these are appropriate to meet the Specified Requirements.

5. Inspected, through one instance, that Amazon implemented processes and technical functionalities for traders to add any sign identifying the trader, such as the trademark, symbol, or logo and determined that these are appropriate to meet the Specified Requirements.
6. Inspected, through one instance, the process and technical functionalities that Amazon has implemented to suppress products (by using their unique identifier, the Amazon Standard Identification Number) for which the relevant information has not been provided yet.
7. Inspected, through one instance, the manual content moderation process and identified that the standard operating procedures related to the content moderation process for product safety information were followed.
8. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.

<b>Obligation:</b> 31(3)	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that Amazon makes best efforts to assess whether traders have provided the information referred to in Articles 31(1) and 31(2) prior to allowing them to offer their products or services on the Store.</p> <p>After allowing the trader to offer products or services on the Store, Amazon shall make reasonable efforts to randomly check in any official, freely accessible, and machine-readable online database or online interface whether the products or services offered have been identified as illegal.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <p>- <i>Best efforts:</i> [Confidential]</p> <div style="background-color: white; width: 100%; height: 100%; min-height: 300px; margin-top: 10px;"></div>	<p><b>Materiality threshold:</b></p> <p>Not making best efforts to assess whether traders have provided the information referred to in Articles 31(1) and 31(2) prior to allowing them to offer their products or services; or not making reasonable efforts to randomly check in any official, freely accessible, and machine-readable online database or online interface whether the products or services offered have been identified as illegal.</p>
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- *Reasonable efforts*: by checking the Commission's public recall websites (for food and non-food products) at least every business day.

**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements. Based on the walk-throughs and inquiries, we decided to perform substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.
2. Identified, as part of the test procedures for Articles 31(1) and 31(2), that processes and controls are appropriately designed and operate effectively to ensure that Amazon makes 'best efforts', following the benchmark as provided by Amazon, to assess whether traders have provided the information referred to in Articles 31(1) and 31(2) prior to allowing them to offer their products or services on the Store.
3. Conducted walk-throughs to identify that Amazon checks daily the Commission's public websites for products or services that have been identified as unsafe and/or illegal.
4. Inspected the list of websites and databases that are included in Amazon's monitoring procedures and identified that a yearly review has been performed by Amazon to validate the accuracy and completeness of the list of Commission's public recall websites.
5. Through one instance, we identified that an automated [Confidential] website and creates a ticket [Confidential], for follow-up by Amazon, in case products are identified that are marked as unsafe and/or illegal (e.g., withdrawal of the product from the market).
6. Reviewed a random selection of days and websites on which a product was marked as unsafe and identified that for all instances, the web crawler successfully crawled the product information and created a case in the case management tool for follow-up by Amazon.
7. By performing the procedures as described above we inspected that Amazon makes 'reasonable efforts', following the benchmark as provided by Amazon, to randomly check in any official, freely accessible, and machine-readable online database or online interface whether the products or services offered have been identified as illegal.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.

<p><b>Obligation:</b> 32(1)</p>	<p><b>Specified Requirements:</b> <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to inform, when Amazon becomes aware, irrespective of the means used, that an illegal product or service has been offered by a trader to consumers located in the Union through the Amazon EU Store in the six months preceding the moment Amazon became aware of the illegality, insofar as it has their contact details, consumers who purchased the illegal product or service through the Amazon EU Store of the following:</p> <ol style="list-style-type: none"> <li>a) The fact that the product or service is illegal.</li> <li>b) The identity of the trader.</li> <li>c) Any relevant means of redress.</li> </ol>	<p><b>Materiality threshold:</b> Deviations over 5% where cases do not meet the Specified Requirements.</p>
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements and identified that Amazon always has the contact details of the consumer as an Amazon user account is required to buy products on the Store. This means that Amazon always has the email and/or telephone number of the consumer. Amazon informs users by means of an email or text message (i.e., when a user created their Amazon user account with their phone number) and a banner on the online interface of the Store when the consumer accesses the Store for the first time after the notification has been issued.
2. Inspected the design of standard operating procedures in place related to the 'recall and market withdrawal process' that starts when Amazon becomes aware of a product recall and/or market withdrawal and we determined that it included appropriate steps to meet the Specified Requirements.
3. Through one instance, when Amazon became aware of an illegal product or service that has been offered by a trader to consumers located in the Union through the Store in the six months preceding the moment Amazon became aware of the illegality, we confirmed that Amazon informed the consumer of a) the fact that the product or service is illegal; b) the identity of the trader; and c) any relevant means of redress.
4. Reviewed a random selection of cases where Amazon became aware of an illegal product or service that had been offered by a trader to consumers located in the Union through the Amazon EU Store in the six months preceding the moment Amazon became aware of the illegality, and confirmed that Amazon followed its standard operating procedures thereby informing the consumers (via email or text message) of a) the fact that the product or service is illegal; b) the identity of the trader; and c) any relevant means of redress.
5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the systems and processes in the period between testing the operating effectiveness and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.

**Section 5 – Additional obligations for providers of very large online platforms and of very large online search engines to manage systemic risks**

<p><b>Obligation:</b> 34(1) and 34(2)</p>	<p><b>Specified Requirements:</b> <i><b>Audit criteria:</b></i> Processes and controls are appropriately designed and operate effectively in order to diligently identify, analyze, and assess any systemic risks in the Union stemming from the design or functioning of the Amazon EU Store and its related systems, including algorithmic systems, or from the use made of the Amazon EU Store. The risk assessments should be carried out by the date of application as referred to in Article 33(6), second subparagraph, and at least once every year thereafter, and in any event prior to deploying functionalities that are likely to have a critical impact on the risks identified pursuant to this Article. This risk assessment shall be specific to their services and proportionate to the systemic risks, taking into consideration their severity and probability, and shall include the following systemic risks:</p> <ol style="list-style-type: none"> <li>a) the dissemination of illegal content through their services;</li> <li>b) any actual or foreseeable negative effects for the exercise of fundamental rights;</li> </ol>	<p><b>Materiality threshold:</b> <i>For the procedures where we relied on controls:</i> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> <p><i>For the substantive procedures:</i> Existing mitigation measures considered when analyzing and assessing the systemic</p>
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	<p>c) any actual or foreseeable negative effects on civic discourse and electoral processes, and public security;</p> <p>d) any actual or foreseeable negative effects in relation to gender-based violence, the protection of public health and minors and serious negative consequences to the person's physical and mental well-being.</p> <p>Amazon shall take into account, in particular, whether and how the following factors influence any of the systemic risks referred to in Article 34(1):</p> <ul style="list-style-type: none"> <li>i. the design of their recommender systems and any other relevant algorithmic system;</li> <li>ii. their content moderation systems;</li> <li>iii. the applicable Terms and Conditions and their enforcement;</li> <li>iv. systems for selecting and presenting advertisements;</li> <li>v. data related practices of the provider.</li> </ul> <p>The assessments shall also analyze whether and how the risks described under points (a) to (d) are influenced by intentional manipulation of the Amazon Store, including by inauthentic use or automated exploitation of the Amazon Store, as well as the amplification and potentially rapid and wide dissemination of illegal content and of information that is incompatible with Amazon's Terms and Conditions.</p> <p>Moreover, the assessment shall take into account specific regional or linguistic aspects, including when specific to a Member State.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Critical impact</i>: material and negative impact on the systemic risks set out in Article 34, as identified, and assessed by relevant business lines.</li> </ul>	<p>risks were not existing or did not operate;</p> <p>or:</p> <p>No systemic risk assessment is performed in the event functionalities are identified that are likely to have a critical impact on the systemic risks identified.</p>
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**Conclusion:**

**Positive with comments** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Reason(s) for the conclusion:**

We identified that the design of the controls in place and their respective control objectives were not sufficient and appropriate to meet all the Specified Requirements. Therefore, we performed additional substantive procedures to mitigate the audit risks associated with this observation to a sufficient level, except for the following:

- We identified the observations concerning the existence of a clear audit-trail supporting the diligent identification, analysis, and assessment of any systemic risks in the Union stemming from the design or functioning of the Amazon EU Store. For example, we identified that Amazon did not consider the probability and severity using quantifiable measures (e.g., by scoring from low to high). Consequently, it was not clear from the systemic risk assessment how Amazon identified that specific systemic risks as described in points (a) to (d) of the Specified Requirements were considered to be out of scope.
- We identified that the DSA training that was provided to business line lawyers of the product teams that are responsible for identifying – in any event prior to deploying functionalities that are likely to have a critical impact on the risks identified pursuant to Article 34(1) – whether a risks assessment is required, was not mandatory.

These observations, however, do not lead to a risk of a material misstatement.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.

2. Identified that Amazon's controls, supporting the following control objectives, are partially sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon can diligently identify, analyze and assess any systemic risks in the Union stemming from the design or functioning of the Amazon EU Store and its related systems, including algorithmic systems, or from the use made of the Amazon EU Store.
  - Controls provide reasonable assurance that Amazon conducts the risk assessment by the date of the application of the DSA (i.e., 28-08-2023) and at least once every year thereafter and prior to deploying functionalities that are likely to have a critical impact on the risks identified pursuant to Article 34 of the Act.
  - Controls provide reasonable assurance that Amazon ensures that the risk assessment is specific to its services and proportionate to the systemic risks taking into consideration their severity and probability.
  - Controls provide reasonable assurance that the risk assessment includes the systemic risks of Article 34(1), points (a) to (d) (the points listed in the audit criteria).
  - Controls provide reasonable assurance that in case Amazon conducts a risk assessment they will consider, in particular, whether and how the factors set out in Article 34(2) influence any of the systemic risks referred to in paragraph 34(1).
3. Due to the observations of point (2), we have performed control test procedures for the control objectives above as well as performed additional substantive procedures (see point (5)).
4. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under 'Reason(s) for the conclusion', these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected the risk assessment report dated 25 August 2023 and conducted a mapping analysis to verify if the risk assessment report includes all relevant aspects of Article 34(1), except for the observations described in the 'Reason(s) for the conclusion';
  - inspected the RFI response concerning Article 34(1) and identified that Amazon's response included further considerations about the exclusion of specific risks (e.g., point (c) of the Specified Requirements) but did not include a quantifiable assessment of the severity and probability of these systemic risks;
  - inspected the risk assessment report dated 25 August 2023 and conducted a mapping analysis to verify if the risk assessment report includes all relevant aspects as described in points (i) to (v) of the Specified Requirement and identified that all factors listed are referenced in the risk assessment report;
  - inspected internal review notes and approvals and identified that the appropriate stakeholders were involved in the process of conducting the risk assessment report and that the report was reviewed and approved by the Board of Managers and head of the compliance function prior to providing the report to the Commission;
  - inspected supporting documents concerning the process that was followed to identify, assess, and analyze the systemic risks (e.g., internal reviews, questionnaire templates, the project plan, meeting minutes, etc.) and identified that, despite the fact that we have obtained sufficient and appropriate audit evidence to follow the process conducted by Amazon to identify, assess, and analyze systemic risks in the Union, a clear audit-trail is missing;
  - we noted that Amazon did not identify new mitigation measures after considering the current mitigation measures to mitigate the systemic risks applicable to Amazon. Amazon states in their report that the (existing) mitigating measures described in the risk assessment report are reasonable, proportionate, and effective to address the systemic risks, and protect the integrity of the Amazon EU Store, legitimate sellers, and consumers;
  - concerning the specific obligation, we performed a systemic risk assessment in the event prior to deploying functionalities that are likely to have a critical impact on the risks identified pursuant to Article 34(1):
    - we inspected the legal practice standard. We noted that the legal practice standard was updated during the Evaluation Period.

[Confidential]

- we inquired with control owners and identified that a formal process, including appropriate controls, for identifying functionalities that are likely to have a critical impact on the risks pursuant to Article 34(1) was not in place for the entire Evaluation Period;
  - we inquired with business line lawyers as part of our procedures for other DSA articles and identified that these have sufficient experience and knowledge about the DSA and Article 34 to be able to attest whether functionalities are deployed in the Evaluation Period that might have had a critical impact on any of the relevant systemic risks identified.
5. Through additional substantive procedures, we determined that, except for the observations identified as described under 'Reason(s) for the conclusion', the risk assessment was performed diligently and that no functionalities were deployed that likely had an impact on any of the systemic risks identified by Amazon. As part of these substantive procedures, we have:
- reviewed a random selection of existing mitigating measures that Amazon has implemented to mitigate systemic risks. We conducted walk-throughs to get a better understanding of the processes and technical functionalities regarding these existing (mitigating) measures and how they are considered when assessing and analyzing the systemic risks. Based on these walk-throughs we determined that Amazon has existing mitigating measures in place to address systemic risks, but it did not become clear what influence these mitigation measures have on the relevant systemic risks pursuant Article 34(1) (i.e., influence on the severity and probability of the systemic risks);
  - observed that Amazon regularly tests risks and mitigation measures with groups most impacted by the specific risks (Article 13(1)(a)(v)) of the Delegated Regulation), for example via brand council, regulatory/external stakeholder engagement in the product safety and compliance space, the Memorandum of Understanding (MoU) on the sale of counterfeit goods for which Amazon is a signatory, Amazon's involvement in the EU Commission's International Product Safety Week and Amazon's involvement in the Fake Reviews Conference;
  - reviewed a random selection of questionnaires, in which Amazon business lawyers attested, for each relevant product team, that no functionalities were deployed during the Evaluation Period that likely could have had a critical impact, following the benchmark as provided by Amazon on the relevant systemic risks as identified by Amazon.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed substantive procedures in addition to control test procedures because the design of the controls in place was only partially sufficient and appropriate to meet the Specified Requirements.

**Recommendations on specific measures:**

We recommend that Amazon strengthens the design of existing controls and implements additional controls to meet the Specified Requirements throughout the Evaluation Period. Specifically, we recommend to:

- a) improve the audit trail of the process of identifying, analyzing, and assessing the systemic risks pursuant to Article 34 (1) of the DSA, by taking into consideration a quantifiable analysis of the probability and severity of all systemic risks (including the systemic risks that Amazon considers not relevant for the EU Store);
- b) implement a periodic (i.e., at least yearly) training for business line lawyers responsible for each of the relevant product teams concerning the identification of functionalities, that Amazon is planning to deploy, that are likely to have a critical impact on any of the systemic risks identified. This training should cover at least the identification of functionalities, the assessment of whether these are likely to have a critical impact on any of the systemic risks identified, as well as performing a risk assessment if this is deemed required following Amazon's risk assessment methodology.

**Recommended timeframe to implement specific measures:**

Prior to performing the 2025 systemic risk assessment.

**Management comments:**

Amazon will consider KPMG's recommendations on specific measures to meet the Specified Requirements and assess the need to strengthen existing controls.

<b>Obligation:</b> 34(3)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to preserve the supporting documents of the risk assessments for at least three years after the performance of risk assessments, and shall, upon request, be communicated to the Commission and to the Digital Services Coordinator of establishment.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:           <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that Amazon preserves the supporting documents of the risk assessments for at least three years after the performance of risk assessments.</li> <li>• Controls provide reasonable assurance that Amazon communicates the supporting documents of the risk assessments to the Commission and to the Digital Services Coordinator of establishment upon request.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:           <ul style="list-style-type: none"> <li>• inquired with control owners and were informed that Amazon will preserve the supporting documents of the risk assessments for at least three years after the performance of the risk assessments; and that Amazon received a Request For Information (RFI) from the Commission and responded to that timely;</li> <li>• inspected the risk assessment report dated 25 August 2023 and supporting documents and identified that these were preserved during the Evaluation Period;</li> <li>• inspected the RFI document and Amazon's response and identified that Amazon provided timely the supporting documents to the Commission upon the received RFI;</li> <li>• inspected that the Board of Managers and Legal VPs were involved in the RFI response process.</li> </ul> </li> </ol>		
<b>Changes to the audit procedures and/or systems and functionalities during the audit:</b> N/A		

<b>Obligation:</b> 35(1)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall put in place reasonable, proportionate, and effective measures, tailored to the specific systemic risks identified pursuant to Article 34, with consideration to the impacts of such measures on fundamental rights. Such measures may include, where applicable, points a) to k) listed in the Act, Article 35(1).	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b>		

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. \*

\* Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon can conduct a risk assessment which includes all aspects listed in Article 35(1) of the DSA (the points listed in the Specified Requirements).
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed. As part of our audit procedures, we have:
  - inquired with control owners and were informed that Amazon did not identify new mitigation measures after considering the current mitigation measures to mitigate the systemic risks applicable to Amazon; we were informed that Amazon described in their systemic risk assessment report that the existing mitigating measures are reasonable, proportionate, and effective to address the systemic risks, and protect the integrity of the Amazon EU Store, legitimate Sellers, and consumers;
  - inspected the risk assessment report as part of our procedures for Articles 34(1) and 34(2) and determined that no new mitigation measures are identified by Amazon;
  - inquired with control owners and were informed that, if Amazon identifies new systemic risks, the relevant product teams need to analyze and assess whether the existing mitigation measures are sufficient and appropriate to mitigate the newly identified risks; if the existing mitigation measures are not sufficient, new mitigation measures will be implemented; new mitigation measures will be tracked using performance improvement goals on an annual basis to measure their effectiveness via key performance indicators (KPIs).

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 36(1)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that if a crisis occurs, Amazon can adequately take the following actions: <ol style="list-style-type: none"> <li>a) assess whether, and if so to what extent and how, the functioning and the use of the Store significantly contribute to a serious threat as referred to in Article 36(2), or are likely to do so;</li> <li>b) identify and apply specific, effective, and proportionate measures, such as any of those provided for in Article 35(1) or Article 48(2), to prevent, eliminate or limit any such contribution to the serious threat identified pursuant to point (a);</li> <li>c) report to the Commission by a certain date or at regular intervals specified in the decision, on the assessments referred to in point (a), on the precise content, implementation and qualitative and quantitative impact of the specific measures taken pursuant to point (b) and on any other issue related to those assessments or those measures, as specified in the decision.</li> </ol> <p>When identifying and applying measures pursuant to point (b), Amazon shall take due account of the gravity of the serious threat</p>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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	referred to in Article 36(2), of the urgency of the measures and of the actual or potential implications for the rights and legitimate interests of all parties concerned, including the possible failure of the measures to respect the fundamental rights enshrined in the Charter.	
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. \*

*\* Since there are no occurrences during the Evaluation Period, we only assessed the design, and we did not perform any test procedures on the implementation and operating effectiveness.*

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon takes all actions contained in a decision adopted by the Commission, acting upon a recommendation of the Board, as set out in Articles 36(1), points (a) to (c).
  - Controls provide reasonable assurance that, when identifying and applying measures pursuant to Article 36(1), point (b), Amazon takes due account of the gravity of the serious threat identified by the Commission, or the urgency of the measures and of the actual or potential implications for the rights and legitimate interests of all parties concerned, including the possible failure of the measures to respect fundamental rights enshrined in the Charter.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected the design of the crisis response mechanism standard operating procedures (SOP) and determined that the SOP included all aspects to meet the Specified Requirements;
  - inspected the annual review by the DSA compliance function and determined that the SOP were reviewed during the Evaluation Period;
  - based on inquiry and a sanity check using publicly available information (i.e., website Commission) we identified that no crisis occurred in the Evaluation Period; therefore, we could not assess the implementation and operating effectiveness of the crisis response mechanism.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 37(1)	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that, at Amazon's own expense and at least once a year, an independent audit is performed to assess compliance with the following:</p> <ol style="list-style-type: none"> <li>a) the obligations set out in Chapter III of the Act;</li> <li>b) any commitments undertaken pursuant to the codes of conduct referred to in Articles 45 and 46 and the crisis protocols referred to in Article 48 of the Act.</li> </ol>	<p><b>Materiality threshold:</b></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that independent auditors are engaged to assess compliance with the obligations set out in Article 37(1), points (a) and (b).
  - Controls provide reasonable assurance that the independent audit covers the obligations set out in Chapter III of the Act.
  - Controls provide reasonable assurance that the independent audit covers any commitments undertaken pursuant to the codes of conduct referred to in Articles 45 and 46 and the crisis protocols referred to in Article 48 of the Act.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected the contract between Amazon and KPMG and determined that an independent auditor is appointed to conduct the DSA audit for the Evaluation Period;
  - inspected the contract between Amazon and KPMG and determined that the agreed scope contains:
    - the obligations set out in Chapter III of the Act;
    - the codes of conduct referred to in Articles 45 and 46 and the crisis protocols referred to in Article 48 of the Act.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 37(2)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure Amazon shall afford KPMG the cooperation and assistance necessary to enable them to conduct those audits in an effective, efficient, and timely manner, including by giving them access to all relevant data and premises and by answering oral or written questions. Amazon shall refrain from hampering, unduly influencing or undermining the performance of the audit.  The audit shall ensure an adequate level of confidentiality and professional secrecy in respect of the information obtained from Amazon and third parties in the context of the audits, including after the termination of the audits. However, complying with that requirement shall not adversely affect the performance of the audits and other provisions of this Regulation, in particular those on transparency, supervision, and enforcement. Where necessary for the purpose of the transparency reporting pursuant to Article 42(4), the audit report and the audit implementation report referred to in paragraphs 4 and 6 of this Article shall be accompanied with versions that do not contain any information that could reasonably be confidential.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		



**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon cooperates and assists KPMG in conducting the DSA audit in an effective, efficient, and timely manner, including by giving them access to all relevant data and premises and by answering oral or written questions. Amazon shall refrain from hampering, unduly influencing or undermining the performance of the audit.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected the contract between Amazon and KPMG and determined that agreements were made that require Amazon to cooperate and assist the independent auditor in performing the audit in an effective, efficient, and timely manner;
  - inspected the contract between Amazon and KPMG and determined that Amazon confirmed that they will not hamper, unduly influence, or undermine the performance of the audit;
  - observed, as an auditor, that Amazon has cooperated and assisted KPMG in performing the audit.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 37(3)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that the audit shall be performed by an organization that: <ol style="list-style-type: none"> <li>a) is independent from, and does not have any conflicts of interest with, Amazon and any legal person connected to Amazon; in particular:             <ol style="list-style-type: none"> <li>i. has not provided non-audit services related to the matters audited to Amazon and to any legal person connected to Amazon in the twelve-month period before the beginning of the audit and has committed to not providing them with such services in the twelve-month period after the completion of the audit;</li> <li>ii. has not provided DSA auditing services to Amazon and any legal person connected to Amazon during a period longer than ten consecutive years;</li> <li>iii. is not performing the audit in return for fees which are contingent on the result of the audit;</li> </ol> </li> <li>b) has proven expertise in the area of risk management, technical competence, and capabilities;</li> <li>c) has proven objectivity and professional ethics, based in particular on adherence to codes of practice or appropriate standards.</li> </ol>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that organizations performing audits shall do so in line with the requirements set out in 37(3) (a) to (c).
  - Controls provide reasonable assurance that the provider ensures the engaged auditor is independent and free of conflicts of interest with the provider or any legal person connected to the provider.
  - Controls provide reasonable assurance that the provider ensures the independent auditor has not provided non-audit services related to the matters audited to the provider or any legal person connected to it in the twelve-month period before the beginning of the audit and has committed to not providing such services in the twelve-month period after the completion of the audit.
  - Controls provide reasonable assurance that the auditor has not provided DSA audit services to the provider, or any legal person connected to it for a period longer than ten consecutive years.
  - Controls provide reasonable assurance that the provider ensures the fees charged for the audit will not be contingent on the result of the audit.
  - Controls provide reasonable assurance that the provider ensures the engaged auditor has proven expertise in the areas of risk management, technical competence, and capabilities.
  - Controls provide reasonable assurance that the provider ensures the engaged auditor has proven objectivity and professional ethics, in line with the codes of practice or appropriate standards.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inspected the contract between Amazon and KPMG, specifically the independence paragraph, and determined that KPMG has not provided non-audit services related to the matters audited to the provider or any legal person connected to it in the twelve-month period before the beginning of the audit and has committed to not providing such services in the twelve-month period after the completion of the audit;
  - inspected the contract between Amazon and KPMG, specifically the independence paragraph, and determined that KPMG has specific processes and systems in place to ensure that they will remain independent during the performance of the assurance engagement in the Evaluation Period;
  - inspected the contract between Amazon and KPMG and determined that Amazon confirmed that the fees charged for an audit are not contingent on the result of the audit, concluded that the engaged auditor has proven expertise in the area of risk management, technical competence, and capabilities, and that the compliance function designated an auditor with proven objectivity and professional ethics, in line with the appropriate standards;
  - inspected documentation concerning the review of professional ethics for the auditor appointment, after having received all proposals for the role of DSA auditor (the legal/compliance function), reviewed all proposals with specific considerations around the obligations set out in Article 37(1)(a) and (b), independence requirements (including ethics) and technical expertise, and aligned with senior management and Board of Managers (management body) on the choice of auditor.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 38(1)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that for each recommender system an option is provided to opt out of profiling.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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<b>Benchmark(s) used as provided by Amazon:</b> - Scope of recommender systems: [Confidential]	
<p><b>Conclusion:</b></p> <p><b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:           <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that Amazon shall provide at least one option for each of their recommender systems which is not based on profiling.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:           <ul style="list-style-type: none"> <li>• inquired with control owners to understand the recommender systems that are based on profiling and determined that there is an option available which is not based on profiling via a radio button in the account settings (‘Your Account, Recommendation Preferences’);</li> <li>• inspected that a complete review is performed to determine all the recommender system strategies within Amazon that fall under the obligations of the Act and identified that these are categorized into ‘profiling’ and ‘non-profiling’ strategies;</li> <li>• inspected that non-profiling recommender system strategies are reviewed and approved by business leaders and business line lawyers via an approval portal;</li> <li>• inspected and observed, through one instance and by assessing the code configuration, that recipients of the service can opt out, via a function in the account settings, for the usage of profiling when Amazon recommends products and services;</li> <li>• inspected that there is one opt-out functionality for recipients of the service on the online interface, accessible via ‘Your Account, Recommendation Preferences’, that suppress content for multiple underlying recommender systems.</li> <li>• inspected and observed, through one instance and by assessing the code configuration, that recommendations based on profiling are suppressed when a recipient of the service opts out for profiling, as the Store no longer included recommendations generated from recommender systems that utilize profiling.</li> </ul> </li> <li>4. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.</li> <li>5. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.</li> </ol> <p><b>Changes to the audit procedures and/or systems and functionalities during the audit:</b></p> <p>N/A</p>	

<b>Obligation:</b> 39(1)	<b>Specified Requirements:</b> <i>Audit criteria:</i>	<b>Materiality threshold:</b>
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	<p>Processes and controls are appropriately designed and operate effectively to ensure that Amazon makes publicly available in a specific section of their online interface, through a searchable and reliable tool that allows multicriteria queries and through application programming interfaces, a repository containing the information referred to in Article 39(2), for the entire period during which they present an advertisement and until one year after the advertisement was presented for the last time on their online interfaces. Amazon shall ensure that the repository does not contain any personal data of the recipients of the service to whom the advertisement was or could have been presented and shall make reasonable efforts to ensure that the information is accurate and complete. *</p> <p><i>* Please note: As a result of the final outcome of the 'Order of the President of the General Court dated 27 September 2023 in Case T-367/23 R granting the Amazon EU Store interim measures' on 27 March 2024 and a consecutive implementation period, the Evaluation Period for Article 39 obligations commenced on 16 April 2024.</i></p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- Reasonable efforts: checking the business and operational dashboard daily (business days) to ensure completeness of data.</li> </ul>	<p><i>For the procedures where we relied on controls:</i></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p> <p><i>For the substantive procedures:</i></p> <p>Deviations over 5% where cases do not meet the Specified Requirements.</p>
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. \*

*As a result of the final outcome of the 'Order of the President of the General Court dated 27 September 2023 in Case T-367/23 R granting the Amazon EU Store interim measures' on 27 March 2024 and a consecutive implementation period, the Evaluation Period for Article 39 obligations commenced on 16 April 2024.*

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are partly sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon has made an advertisement repository available through a searchable and reliable tool (user interface and application programming interface) with reasonably complete and accurate information as referred to in Article 39(2), points (a) to (g) for up to one year after the advertisement was presented; and that the advertisement repository does not contain personal data of recipients of the service to whom the advertisements were presented.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners and were informed that the advertisement repository is implemented on 16 April 2024 on a specific section of the online interface (i.e., link provided via advertisement information and options when clicking on the "Sponsored i" mark when an advertisement is presented);
  - inspected, through one instance, that the advertisement repository allows recipients of the service to use multicriteria and a search functionality;
  - inspected, through one instance, that the advertisement repository contains the information referred to in Article 39(2) for all advertisements that were live from 28 August 2023 (i.e., start of Evaluation Period) onwards;
4. Tested that the interface from the source systems to the advertisement repository is monitored for exceptions, and that identified exceptions are processed by Amazon.
5. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.

6. In addition, the following additional substantive procedures were performed:
- reviewed a random selection of advertisements and identified that the information referred to in Article 39(2) was accurately and completely presented in the advertisement repository;
  - reviewed a random selection of advertisements and identified that for those advertisements no personal data is presented in the advertisement repository.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

We performed additional substantive procedures in addition to the control test procedures as the controls in place did not completely support the control objective.

<b>Obligation:</b> 39(2)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that information in the advertisement repository has following elements: <ol style="list-style-type: none"> <li>the content of the advertisement, including the name of the product, service or brand and the Subject Matter of the advertisement;</li> <li>the natural or legal person on whose behalf the advertisement is presented;</li> <li>the natural or legal person who paid for the advertisement, if that person is different from the person referred to in point (b);</li> <li>the period during which the advertisement was presented;</li> <li>whether the advertisement was intended to be presented specifically to one or more particular groups of recipients of the service and if so, the main parameters used for that purpose including, where applicable, the main parameters used to exclude one or more of such particular groups;</li> <li>the commercial communications published on the very large online platforms and identified pursuant to Article 26(2);</li> <li>the total number of recipients of the service reached and, where applicable, aggregate numbers broken down by Member State for the group or groups of recipients that the advertisement specifically targeted.</li> </ol>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:           <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that Amazon has provided complete and accurate information as referred to in Article 39(2), points (a) to (g).</li> </ul> </li> <li>Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:           <ul style="list-style-type: none"> <li>• inquired with control owners and were informed that points (a) to (g) of the audit criteria are included in the advertisement repository;</li> <li>• inspected, through one instance, that the advertisement repository contains the information referred to in Article 39(2) for all advertisements that were live from 28 August 2023 (i.e., start of Evaluation Period) onwards;</li> </ul> </li> </ol>		

- inspected, through one instance and by assessing the code configuration, that the total number of recipients reached is calculated correctly and completely for all in-scope EU countries and in total for the EU (if applicable);
  - reviewed a random selection of advertisements and identified that the information referred to in Article 39(2) was accurately and completely presented in the advertisement repository.
4. Tested that the interface from the source systems to the advertisement repository is monitored for exceptions, and that identified exceptions are processed timely by Amazon.
  5. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 39(3)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that, where Amazon has removed or disabled access to a specific advertisement based on alleged illegality or incompatibility with its Terms and Conditions, the advertisement repository shall not include the information referred to in Article 39(2), points (a), (b) and (c). In such case, the repository shall include, for the specific advertisement concerned, the information referred to in Article 17(3), points (a) to (e), or Article 9(2), point (a)(i), as applicable.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<p><b>Conclusion:</b>  <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:           <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that the advertisement repository contains advertisements removed for alleged illegality or incompatibility with Amazon’s Terms and Conditions with the information referred to in Article 17(3), points (a) to (e), or Article 9(2), point (a)(i), as applicable.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:           <ul style="list-style-type: none"> <li>• inquired with control owners and were informed that a dedicated page (i.e., Ad compliance search) on the online interface was created to present advertisements that have been removed or disabled for alleged illegality or incompatibility with its terms and conditions;</li> <li>• inspected, through one instance, that the Ad compliance search repository interface allows recipients of the service to find advertisements that have been removed or disabled for alleged illegality or incompatibility with its terms and conditions;</li> <li>• inspected, through one instance, that the Ad compliance search repository interface does not contain the information referred to in Article 39(2), points (a), (b) and (c);</li> <li>• inspected, through one instance, that the Ad compliance search repository interface does contain the applicable information referred to in Article 17(3), points (a) to (e).</li> </ul> </li> </ol>		

4. Tested that the interface from the source systems to the advertisement repository (both the advertisement repository interface and Ad compliance search interface) is monitored for exceptions, and that identified exceptions are processed in a timely manner by Amazon.
5. Tested relevant General IT Controls, specifically change management controls and identity access management controls, and determined that the relevant IT systems and functionalities that support the (automated) controls were implemented and operating effectively throughout the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 40(12)	<p><b>Specified Requirements:</b> <i><b>Audit criteria:</b></i></p> <p>Processes and controls are appropriately designed and operate effectively to give access without undue delay to data, including, where technically possible, to real-time data, provided that the data is publicly accessible in Amazon’s online interface by researchers, including those affiliated to not-for-profit bodies, organizations and associations, who comply with the conditions set out in Article 40(8) points (b), (c), (d) and (e), and who use the data solely for performing research that contributes to the detection, identification and understanding of systemic risks in the Union pursuant to Article 34(1).</p> <p><i><b>Benchmark(s) used as provided by Amazon:</b></i></p> <ul style="list-style-type: none"> <li>- <i>Without undue delay:</i> without excessive waiting or postponement.</li> </ul>	<p><b>Materiality threshold:</b></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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**Conclusion:**

**Negative** – In our opinion, because of the significance of the matters described in the following paragraph, the Specified Requirements are not met during the Evaluation Period, in all material respects.

**Reason(s) for the conclusion:**

Amazon informed us that they do not provide researchers access to specific processes, tools, or infrastructure (e.g., APIs) to access data that is publicly accessible in Amazon’s Store for the purposes of this obligation. Furthermore, despite the fact that researchers may access all publicly accessible data on Amazon’s Store (the publicly accessible data relevant to assessing the risks outlined in Article 34 of the DSA are not contingent upon registration with Amazon, or the nature of a specific account) and may use manual or automated data access techniques (e.g., scraping), Amazon Conditions of Use prohibit the use of data mining, robots or similar data gathering and extraction tools.

**Audit procedures, results and information relied upon:**

1. We conducted a walk-through to understand whether and how Amazon provides researchers access to publicly accessible data on Amazon’s online interface and identified that no specific processes, tools, or infrastructure have been implemented by Amazon for this purpose.
2. We inspected the Terms and Conditions (i.e., Amazon Conditions of Use) and identified that these prohibit the use of data mining, robots or similar data gathering and extraction tools to extract data that is publicly accessible on Amazon’s interface. More specifically the section:

*“This license does not include any resale or commercial use of any Amazon Service or its contents; any collection and use of any product listings, descriptions, or prices; any derivative use of any Amazon Service or its contents; any downloading or copying of account information for the benefit of another merchant; or any use of data mining, robots, or similar data gathering and extraction tools.” \**

*\*Source: Amazon Conditions of Use*

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A	
<p><b>Recommendations on specific measures:</b></p> <p>We recommend Amazon to implement specific processes, tools, or infrastructure (e.g., APIs) to provide researchers access to data that is publicly accessible; and/or allow researchers to use automated tools to collect data that is publicly accessible on Amazon's EU Stores in the Terms and Conditions (i.e., Amazon Conditions of Use).</p> <p><b>Management comments:</b></p> <p>Amazon has amended the Amazon EU Store Conditions of Use to make it clearer that we permit researchers that meet the conditions set out in Article 40(12) to use automated tools to collect data that is publicly accessible on the Amazon's EU Stores. Amazon disagrees with the recommendation that it needs to provide researchers with bespoke automated tools to collect such data. The design of the Amazon EU Store already facilitates efficient and targeted data extraction of publicly accessible data without undue delay (including through the use of widely available "scraping tools").</p>	<p><b>Recommended timeframe to implement specific measures:</b></p> <p>1 September 2024 – 31 December 2024</p>

<p><b>Obligation:</b> 41(1)</p>	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that Amazon establishes a compliance function, which is independent from their operational functions and composed of one or more compliance officers, including the head of the compliance function.</p> <p>That compliance function shall have sufficient authority, stature, and resources, as well as access to the management body of Amazon to monitor the compliance of that provider with the Act.</p> <p><b>Benchmark(s) used as provided by Amazon:</b></p> <ul style="list-style-type: none"> <li>- <i>Sufficient authority, stature, and resources:</i> the power and capabilities required to fulfil statutory duties.</li> </ul>	<p><b>Materiality threshold:</b></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
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<p><b>Conclusion:</b></p> <p><b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that a compliance function is established which is independent from Amazon's operational functions and composed of one or more compliance officers, including the head of the compliance function.</li> <li>• Controls provide reasonable assurance that the compliance function is provided with sufficient authority, stature and resources, and access to Amazon's management body, to monitor Amazon's compliance with the Act.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> <li>• inquired with control owners;</li> <li>• inquired with the relevant contacts of the DSA compliance function, including the head of the DSA compliance function, and confirmed that they have the relevant experience and sufficient knowledge and resources to perform their job;</li> </ul> </li> </ol>
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- observed that the required experiences of the DSA compliance function team members match with the job requirements by comparing the CVs of the compliance function team members to required job requirements;
  - inspected the DSA Compliance Charter and determined it sets out the responsibilities, duties, governance, and activities of the independent compliance function. The DSA Compliance Charter is reviewed by the Board of Managers;
  - inspected the organizational chart and confirmed that the compliance function is an independent senior manager who reports directly to the Board of Managers.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 41(2)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that the management body of Amazon ensures that compliance officers have the professional qualifications, knowledge, experience, and ability necessary to fulfil the tasks referred to in Article 41(3).  The management body of Amazon shall ensure that the head of the compliance function is an independent senior manager with distinct responsibility for the compliance function.  The head of the compliance function shall report directly to the management body of Amazon and may raise concerns and warn that body where risks referred to in Article 34 or non-compliance with this Regulation affect or may affect Amazon, without prejudice to the responsibilities of the management body in its supervisory and managerial functions.  The head of the compliance function shall not be removed without prior approval of the management body of Amazon.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:           <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that compliance officers have the professional qualifications, knowledge, experience, and ability needed to fulfill the tasks referred to in Article 41(3).</li> <li>• Controls provide reasonable assurance that the head of the compliance function is an independent senior manager with distinct responsibility for the DSA compliance function.</li> <li>• Controls provide reasonable assurance that the head of the compliance function reports directly to the Board of Managers and is able to raise concerns and warn the Board of Managers where risks referred to in Article 34 or non-compliance with the DSA affect or may affect the Store.</li> <li>• Controls provide reasonable assurance that the head of the compliance function is not removed without prior approval of the Board of Managers of Amazon.</li> </ul> </li> </ol>		

3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inquired with the relevant contacts of the compliance function and legal function and confirmed that the head of the compliance function will be appointed and removed after approval of the Board of Managers, that the head of the compliance function is responsible for the compliance function and will provide quarterly progress updates to the Board of Managers, and that potential risks are communicated by the head of the compliance function to the Board of Managers;
  - inspected the DSA Compliance Charter and determined it sets out the responsibilities, duties, governance, and activities of the independent compliance function. The DSA Compliance Charter is reviewed by the Board of Managers;
  - inspected the organizational chart and confirmed that the head of the compliance function is an independent senior manager who reports directly to the Board of Managers;
  - inspected the appointment of two heads of compliance as a switch in position took place during the Evaluation Period and determined that both appointments were approved by the Board of Managers.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 41(3)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that compliance officers shall have the following tasks: <ol style="list-style-type: none"> <li>a) cooperating with the Digital Services Coordinator of establishment and the Commission for the purpose of the Act;</li> <li>b) ensuring that all risks referred to in Article 34 are identified and properly reported on and that reasonable, proportionate and effective risk mitigation measures are taken pursuant to Article 35;</li> <li>c) organizing and supervising the activities of Amazon relating to the independent audit pursuant to Article 37;</li> <li>d) informing and advising the management and employees of Amazon about relevant obligations under the Act;</li> <li>e) monitoring the compliance of Amazon with its obligations under the Act;</li> <li>f) where applicable, monitoring the compliance of Amazon with commitments made under the codes of conduct pursuant to Articles 45 and 46 or the crisis protocols pursuant to Article 48.</li> </ol>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects. * <i>Note: The codes of conduct pursuant to Articles 45 and 46, and the crisis protocols pursuant to Article 48 are not in scope of the audit, therefore no opinion is formed on obligation 41(3)(f).</i>		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> </ol>		

2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance to ensure that compliance officers have responsibility for the tasks set out in Articles 41(3), points a) to e).
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inquired with the relevant contacts of the compliance function and legal function and confirmed that they have responsibility for the tasks set out in Articles 41(3), points a) to e);
  - inquired with the compliance officer and identified that an annual compliance function report will be drafted to inform management about the various activities Amazon is performing to comply with the Act; no annual compliance function report is created in the Evaluation Period as this will be performed after the Evaluation Period;
  - inspected the DSA Compliance Charter and identified that the compliance officers have responsibility for the tasks set out in Articles 41(3), points (a) to (e);
  - observed, as part of our audit procedures under Articles 41(1) and 41(2), that the head of the DSA compliance function is an independent senior manager who reports directly to the Board of Managers;
  - inspected, as part of our procedures for Article 41(5), that the compliance officers were engaged in the systemic risk assessment, and we identified by means of meeting minutes and communication documents that their involvement was appropriate to meet the Specified Requirements;
  - observed, as part of our audit procedures, that the compliance officers were monitoring the compliance of Amazon with its obligations under the Act as well as organizing and supervising the independent audit;
  - inspected minutes to confirm that quarterly progress and status update meetings have been held in which the head of the DSA compliance function reported to the Board of Managers.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 41(4)	<b>Specified Requirements:</b> <i>Audit criteria:</i> Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall communicate the name and contact details of the head of the compliance function to the Digital Services Coordinator of Luxembourg and to the Commission.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:</li> </ol>		

- Controls provide reasonable assurance that Amazon communicates the name and contact details of the head of the compliance function to the Digital Services Coordinator of establishment and to the Commission.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
    - inquired with control owners;
    - inquired with the relevant contacts of the compliance function and identified that the name and contact details of the head of the compliance function were communicated to the Digital Services Coordinator of Luxembourg (i.e., 'Autorité de la concurrence') and the Commission;
    - inspected the communication between Amazon and the Digital Service Coordinator and between Amazon and the Commission and confirmed that the name and contact details were shared at the beginning of the compliance period;
    - inspected the communication between Amazon and the Digital Service Coordinator and between Amazon and the Commission and confirmed that the name and contact details of the new compliance officer (change happened in the Evaluation Period) were shared in March after the change took effect.
  4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 41(5)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure the management body of Amazon shall define, oversee and be accountable for the implementation of the Amazon's governance arrangements that ensure the independence of the compliance function, including the division of responsibilities within Amazon, the prevention of conflicts of interest, and sound management of systemic risks identified pursuant to Article 34.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:           <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that defining, overseeing, and being accountable for the implementation of Amazon's governance arrangements ensure the independence of the compliance function, including the division of responsibilities within Amazon's organization, the prevention of conflicts of interest, and sound management of systemic risks identified pursuant to Article 34.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:           <ul style="list-style-type: none"> <li>• inquired with control owners;</li> <li>• inquired with the compliance officer that the annual compliance function report will not be generated during the Evaluation Period, therefore no observation was possible;</li> </ul> </li> </ol>		

- inspected the DSA Compliance Charter and determined that the compliance function is independent from the operational functions and receives its instructions from the Board of Managers;
  - inquired with management about their responsibility to oversee and be accountable for the implementation of Amazon's governance arrangements that ensure the independence of the compliance function, including the division of responsibilities within Amazon, the prevention of conflicts of interest, and sound management of systemic risks identified, and we identified that these are appropriate and in line with the DSA Compliance Charter;
  - inspected minutes to confirm that quarterly progress and status update meetings have been held in which the head of the DSA compliance function reported to the Board of Managers.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 41(6)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure the management body shall approve and review periodically, at least once a year, the strategies, and policies for taking up, managing, monitoring, and mitigating the risks identified pursuant to Article 34.	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
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**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that the Board of Managers approves and reviews periodically, at least once a year, the strategies and policies for taking up, managing, monitoring, and mitigating the risks identified – pursuant to Article 34 – which Amazon is or might be exposed to.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inquired with the VP Legal Europe and confirmed her involvement in the systemic risk assessment process;
  - inspected internal review notes and identified that the appropriate stakeholders were involved in the process of conducting the risk assessment report and that the report was reviewed and approved by the Board of Managers prior to providing the report to the Commission;
  - inspected minutes and supporting documentation concerning the systemic risk assessment and identified that the Board of Managers reviewed the systemic risk assessment strategy, content, template, and project plan;
  - inspected meeting minutes and identified that quarterly progress and status update meetings had been held in which the head of the DSA compliance function reported to the Board of Managers about compliance with the DSA, including the systemic risk assessment.

4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Obligation:**  
41(7)

**Specified Requirements:**

**Audit criteria:**

Processes and controls are appropriately designed and operate effectively to ensure the management body shall devote sufficient time to the consideration of the measures related to risk management. It shall be actively involved in the decisions related to risk management and shall ensure that adequate resources are allocated to the management of the risks identified in accordance with Article 34.

**Materiality threshold:**

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

**Conclusion:**

**Positive** – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that the Board of Managers devotes sufficient time to considering the measures related to risk management, is actively involved in the decisions related to risk management and ensures that adequate resources are allocated to the management of the risks identified in accordance with Article 34.
3. Tested the processes and controls supporting the control objectives above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners;
  - inquired with one of the Board of Managers of the designated entity and confirmed the Board's involvement in the systemic risk assessment process;
  - inspected internal review notes and identified that the appropriate stakeholders were involved in the process of conducting the risk assessment report and that the report was reviewed and approved by the Board of Managers prior to providing the report to the Commission;
  - inspected minutes and supporting documentation concerning the systemic risk assessment and identified that the Board of Managers reviewed the systemic risk assessment strategy, content, template, and project plan;
  - inspected meeting minutes and identified that quarterly progress and status update meetings had been held in which the head of the DSA compliance function reported to the Board of Managers about compliance with the DSA, including the management of systemic risks.
4. We confirmed, after the Evaluation Period, that there were no significant changes in the design or operation of the controls in the period between testing the operating effectiveness of the controls and the end of the Evaluation Period.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Obligation:**

**Specified Requirements:**

**Materiality threshold:**

42(1)	<p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall publish the reports referred to in Article 15 at the latest by two months from the date of application (i.e., 28-08-2023) referred to in Article 33(6), second subparagraph, and thereafter at least every six months.</p>	<p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
<p><b>Conclusion:</b></p> <p><b>Positive</b> – In our opinion, the Specified Requirements were met during the Evaluation Period, in all material respects.</p> <p><b>Audit procedures, results and information relied upon:</b></p> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Identified that Amazon’s controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements: <ul style="list-style-type: none"> <li>• Controls provide reasonable assurance that Amazon will publish the reports referred to in Article 15 at the latest by two months from the date of application referred to in Article 33(6), second subparagraph, and thereafter at least every six months.</li> </ul> </li> <li>3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have: <ul style="list-style-type: none"> <li>• inquired with control owners;</li> <li>• inspected the transparency reports referred to in Article 15 and identified that they were published within two months from the date of application referred to in Article 33(6), and thereafter within six months. The publishing dates of the first transparency report was 25 October 2023 and the second transparency report six months later on 24 April 2024.</li> </ul> </li> </ol> <p><b>Changes to the audit procedures and/or systems and functionalities during the audit:</b></p> <p>N/A</p>		

<p><b>Obligation:</b></p> <p>42(2)</p>	<p><b>Specified Requirements:</b></p> <p><b>Audit criteria:</b></p> <p>Processes and controls are appropriately designed and operate effectively to ensure that the following information is accurately presented in the transparency report referred to in Article 15(1):</p> <ol style="list-style-type: none"> <li>a) the human resources that the provider of very large online platforms dedicates to content moderation in respect of the service offered in the Union, broken down by each applicable official language of the Member States, including for compliance with the obligations set out in Articles 16 and 22, as well as for compliance with the obligations set out in Article 20;</li> <li>b) the qualifications and linguistic expertise of the persons carrying out the activities referred to in point (a), as well as the training and support given to such staff;</li> <li>c) the indicators of accuracy and related information referred to in Article 15(1), point (e), broken down by each official language of the Member States.</li> </ol> <p>The transparency reports shall be published in at least one of the official languages of the Member States.</p>	<p><b>Materiality threshold:</b></p> <p>Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.</p>
<p><b>Conclusion:</b></p>		

**Negative** – In our opinion, except for the effects of the material non-compliance described in the following paragraph, the Specified Requirements are met during the Evaluation Period, in all other material respects.

**Reason(s) for the conclusion:**

We identified that Amazon did not distinguish the human resources dedicated to content moderation per each applicable language of the Member States in their transparency reports, but instead did it by Store. This is in contradiction with KPMG’s interpretation of Article 42(3)(a).

Furthermore, the breakdown of indicators of accuracy at Amazon is currently per Store. This is in contradiction with KPMG’s interpretation of Article 42(3)(c) that requires the breakdown by each applicable official language of the Member States.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon’s controls, supporting the following control objectives, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon reports should specify the human resources dedicated to content moderation in respect of the service offered in the Union, broken down by each applicable official language of the Member States, including for compliance with the obligations set out in Articles 16, 20 and 22.
  - Controls provide reasonable assurance that Amazon reports should specify the qualifications and linguistic expertise of the persons carrying out the activities referred to in point (a), as well as the training and support given to such staff.
3. Tested the processes and controls supporting the control objectives above and identified that, except for the observations identified as described under ‘Reason(s) for the conclusion’, these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners and were informed about the transparency reporting process that includes appropriate validation steps to meet the Specified Requirements;
  - inspected the workback plan that outlines the timeframes, publication method and roles and responsibilities and we determined that senior stakeholders are involved in the transparency reporting process;
  - inspected the scoping document and determined that it covers requirements a) to c) of the audit criteria and identified that the calculation metrics logic was approved by senior leadership;
  - inspected, through one instance (i.e., metric in the transparency report), that validation steps are performed by Amazon to validate the completeness and accuracy of the metrics; we identified that the validation steps include a review from the data validation team (e.g., re-calculation and calculation logic review) as well as a review from the leadership team;
  - reviewed a random selection, for both transparency reports, and re-performed the validation steps; we identified that the metrics as included in the transparency reports were complete and accurate;
  - inspected that the transparency reports are published in at least one of the official languages of the Member States (i.e., English).

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

**Recommendations on specific measures:**

We recommend Amazon to break down the requirement in Article 42(2)(a) and 42(2)(c) by each applicable official language of the Member States. \*

*\* Please note: The new Commission implementing regulation, laying down templates concerning the transparency reporting obligations of providers of intermediary services and of providers of online platforms under Regulation (EU) 2022/2065 of the European Parliament and of the Council, should be leading when making the recommended changes to the transparency reporting process.*

**Recommended timeframe to implement specific measures:**

Prior to the publication of the transparency report due in February 2025.

**Management comments:**

We will consider KPMG's recommendations on specific measures. For completeness we wish to clarify that the way in which we reported the data required under Article 42(2)(a) and 42(2)(c), was with the intention to provide the most accurate representation of this data in the context of Amazon's EU Store. We reported data about both our Human Resources dedicated to content moderation (Art 42(2)(a)) and accuracy rates (Art 42(2)(c)), broken down by each EU Member State of the EU countries that Amazon's EU Store operates because the EU Store's business is product-centric, rather than content-centric. Reporting data in this way, in our view, provided the greatest transparency in the context of Amazon's business, as Amazon's primary concern is about safeguarding the products sold in a particular Member State, regardless of the language preference of local customers.

**Obligation:**  
42(3)

**Specified Requirements:**

**Audit criteria:**

Processes and controls are appropriately designed and operate effectively to ensure the information on the average monthly recipients of the service for each Member State is accurately presented in the transparency report.

**Materiality threshold:**

Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.

**Conclusion:**

**Positive** – In our opinion, the Specified Requirements are met during the Evaluation Period, in all material respects.

**Audit procedures, results and information relied upon:**

1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.
2. Identified that Amazon's controls, supporting the following control objective, are sufficient and appropriate to meet the Specified Requirements:
  - Controls provide reasonable assurance that Amazon specifies the average monthly recipients of the service, calculated as per Article 24(2), for each Member State in the report.
3. Tested the processes and controls supporting the control objective above and identified that these were suitably designed, implemented, and operated effectively throughout the Evaluation Period. As part of our audit procedures, we have:
  - inquired with control owners and were informed about the transparency reporting process that includes appropriate validation steps to meet the Specified Requirements; furthermore, we are informed that the average monthly active recipients of the service in the Union per Member State are included in the transparency reports;
  - inspected the transparency report webpage on which the reports can be downloaded and identified that report is published in a machine-readable format (i.e., CSV) and identified that this includes the average monthly active recipients of the service in the Union broken down by Member State. A supplementary PDF is also available;
  - inspected the scoping document and determined that it covers the requirement to include the average monthly active recipients of the service in the Union by Member State; and identified that the calculation metric logic was approved by senior leadership;
  - inspected, through one instance (i.e., metric in the transparency report), that validation steps are performed by Amazon to validate the completeness and accuracy of the metrics; we identified that the validation steps include a review from the data validation team (e.g., re-calculation and calculation logic review) as well as a review from the leadership team;
  - reviewed a random selection of metrics, for both transparency reports, and re-performed the validation steps; we identified that the metrics as included in the transparency reports were complete and accurate.

**Changes to the audit procedures and/or systems and functionalities during the audit:**

N/A

<b>Obligation:</b> 42(4)	<b>Specified Requirements:</b> <b>Audit criteria:</b> Processes and controls are appropriately designed and operate effectively to ensure that Amazon shall transmit to the Digital Services Coordinator of establishment and the Commission, without undue delay upon completion, and make publicly available at the latest three months after the receipt of each audit report pursuant to Article 37(4): <ol style="list-style-type: none"> <li>a) a report setting out the results of the risk assessment pursuant to Article 34;</li> <li>b) the specific mitigation measures put in place pursuant to Article 35(1);</li> <li>c) the audit report provided for in Article 37(4);</li> <li>d) the audit implementation report provided for in Article 37(6);</li> <li>e) where applicable, information about the consultations conducted by the provider in support of the risk assessments and design of the risk mitigation measures. *</li> </ol> <p><i>* Please note: Transmission of the audit report and audit implementation report to the Digital Service Coordinator and the Commission will happen outside the Evaluation Period. Therefore, we have not evaluated compliance with Article 42(4), points (c) and (d).</i></p> <b>Benchmark(s) used as provided by Amazon:</b> <ul style="list-style-type: none"> <li>- <i>Without undue delay:</i> Within a reasonable time of completing the relevant document.</li> </ul>	<b>Materiality threshold:</b> Internal controls are not sufficiently designed and/or implemented or did not operate effectively throughout the Evaluation Period to meet the Specified Requirements.
<b>Conclusion:</b> <b>Positive</b> – In our opinion, the Specified Requirements are met during the Evaluation Period, in all material respects.		
<b>Audit procedures, results and information relied upon:</b> <ol style="list-style-type: none"> <li>1. Conducted a walk-through to understand the processes and controls in place to meet the Specified Requirements.</li> <li>2. Inquired with control owners and were informed that the risk assessment report is submitted by Amazon, without undue delay upon completion, to the Digital Services Coordinator of Luxembourg (i.e., 'Autorité de la concurrence') and the Commission; furthermore, we were informed that no new mitigation measures are identified and that therefore Amazon did not share any new mitigation measures pursuant to Article 35(1) with the commission.</li> <li>3. Inspected communication between Amazon and the Commission and identified that the Commission acknowledged the receipt of the systemic risk assessment report that includes information as described under point (e) of the Specified Requirements; based on professional judgement we determined that the report was shared with the Commission without undue delay;</li> <li>4. Inspected communication between Amazon and the Digital Services Coordinator of Luxembourg and identified that Amazon shared the systemic risk assessment report prior to the official appointment (by law) of the Luxembourg Digital Service Coordinator.</li> </ol>		
<b>Changes to the audit procedures and/or systems and functionalities during the audit:</b> For efficiency purposes, we performed substantive procedures instead of control test procedures.		



## Appendix 2 – Test procedures, sampling methodology and General IT Controls

To determine the appropriate testing strategy for Amazon, we conducted walk-throughs to gain an understanding of the processes and controls in place to comply with the Specified Requirements. Based on the results of these walk-throughs, we designed our test strategy to evaluate whether Amazon complies with the Specified Requirements. Our testing approach is divided into two main strategies: control testing and substantive testing.

- *Control testing*: an audit procedure designed to evaluate the operating effectiveness of controls in place to comply with the Specified Requirements.
- *Substantive testing*: an audit procedure designed to detect material misstatements, which can include testing of details (i.e., transactions, disclosures, algorithmic systems, etc.).

We have documented our testing strategy for each obligation in [Appendix 1](#), detailing the specific procedures and methodologies used to achieve our audit objectives.

### Test procedures

Testing the design, implementation and operating effectiveness of controls or performing substantive analytical procedures includes performing the necessary tests to evaluate whether those controls or procedures are sufficient to provide reasonable but not absolute assurance that Amazon complies with the Specified Requirements during the Evaluation Period.

In selecting procedures, KPMG considered the nature, design, and frequency of the Subject Matter, the Specified Requirements and the expected efficiency and effectiveness of the tests. The following techniques were used to evaluate whether Amazon complies with the Specified Requirements, as is also documented in [Appendix 1](#) of our Independent practitioner's assurance report:

#### *Control testing procedures*

Procedures	Description
<b>Inquiry</b>	Inquiry consists of seeking information from knowledgeable persons and evaluating responses to our inquiries.
<b>Observation</b>	Observation consists of looking at a process, system or procedure being performed by Amazon.
<b>Inspection</b>	Inspection involves examining records or documents.
<b>Reperformance</b>	Reperformance involves our independent execution of procedures or controls that were originally performed as part of the entity's internal control.

#### *Substantive test procedures*

Procedures	Description
<b>Substantive procedures</b>	We analyze data to identify trends or anomalies that may indicate potential issues.
<b>Test of details</b>	We conduct a detailed examination of items to verify their accuracy and compliance with the Specified Requirements or assess code configurations concerning algorithmic systems.

### Selection sizes for control testing based on the frequency of the control activity

When we test controls, we use our professional judgment to determine the extent of our procedures. The extent of control testing is determined after considering the frequency of the control (e.g., daily, weekly, or monthly), materiality, and the relevant associated risk with the control being tested. Based on the risk associated with the control, the selection size can be increased. We use the following table to determine the selection size:

Frequency of control activity	Significant +	Significant	Elevated	Base
Annual	1	1	1	1
Quarterly	2	2	2	2
Monthly	4	3	3	2
Weekly	11	9	7	5
Daily	30	25	20	15
Recurring manual control (multiple times per day)	55	45	35	25

### Selection size for substantive procedures based on the population size

When we perform substantive analytical procedures, in which we are required to test information, we determine the appropriate selection size based on the number of items in the population and the relevant risk associated with the substantive analytical procedures being performed. We use the following table to determine the selection size:

Population size	Significant +	Significant	Elevated	Base
10 or less	1	1	1	1
11 - 49	2	2	2	2
50 - 249	80	45	25	15
250+	120	60	30	15

### General IT Controls

For controls designated as 'automated' – meaning they function automatically within a system – their operating effectiveness relies on underlying General IT Controls (GITC). These controls typically encompass various aspects of the IT control environment, including access management, change management, and computer operations. Within these three aspects, several controls are relevant for demonstrating the operating effectiveness of the automated controls in a test. To identify the relevant controls, we utilized Amazon's GITC control framework.

Examples of the relevant GITC domains during the audit:

- *Access management:* If an automated control depends on access that aligns with the job responsibilities of the individual accessing the system and/or control, it is essential to identify and evaluate controls that ensure that logical access permissions are assigned appropriately and accepted widely.
- *Change management:* All automated controls rely on effective change management, whether in the form of configuration-based adjustments or technical changes. In all instances, changes must be overseen through designated change management controls to ensure a high level of confidence that alterations to IT programs and/or configurations are both warranted and appropriate.
- *Computer operations:* Interfaces depend on the effectiveness of computer operations, which include proper monitoring and follow-up processes in the event of incidents. These measures ensure the data integrity of information flows within the interfaces.

## Appendix 3 – Template for the audit report referred to in Article 6 of the Delegated Regulation

### Section A: General Information

- Audited service:**

Amazon Store

- Audited provider:**

Amazon EU S.à r.l.

- Address of the audited provider:**

Avenue John F. Kennedy 38

- Point of contact of the audited provider:**

[Confidential]

- Scope of the audit:**

Does the audit report include an assessment of compliance with all the obligations and commitments referred to in Article 37(1) of Regulation (EU) 2022/2065 applicable to Amazon?

Yes, please refer to the [Scope](#) section of the Independent practitioner's assurance report.

#### *i. Compliance with Regulation (EU) 2022/2065*

##### **Obligations set out in Chapter III of Regulation (EU) 2022/2065:**

Audited obligation	Period covered
A listing of the audited obligations can be found in <a href="#">Appendix 1</a> of the Independent practitioner's assurance report.	28/08/2023 to 30/06/2024

#### *ii. Compliance with codes of conduct and crisis protocols*

##### **Commitments undertaken pursuant to codes of conduct referred to in Articles 45 and 46 of Regulation (EU) 2022/2065 and crisis protocols referred to in Article 48 of Regulation (EU) 2022/2065:**

Audited commitment	Period covered
N/A	N/A

**a. Audit start date:**

28/08/2023

**b. Audit end date:**

30/06/2024



## Section B: Auditing organization

### 1. Name(s) of organization(s) constituting the auditing organization

KPMG Advisory N.V.

### 2. Information about the auditing team of the auditing organization

Koen Klein Tank was the overall responsible person from KPMG Advisory N.V. (professional email address: [Confidential]). KPMG Advisory N.V. has maintained a list of the team members involved in this reasonable assurance engagement. At KPMG Advisory N.V.'s request, for privacy purposes, the personal names are not being specified in this submission. However, the complete list of team members may be requested if required by the intended users of the Independent practitioner's assurance report.

### 3. Auditors' qualification

There were more than fifteen university-degreed team members involved in the execution of the engagement.

Personnel directing the assurance engagement collectively have significant experience related to auditing the technology industry, performing risk assessment, assessing compliance functions, content moderation, auditing algorithms, privacy matters, GDPR and other related topics.

- a. Documents attesting that the auditing organization fulfills the requirements laid down in Article 37(3), point (b) of Regulation (EU) 2022/2065 have been attached as an annex to this report

Response included in [Appendix 6](#).

### 4. Auditors' independence

#### b. Declaration of interests

KPMG Advisory N.V. performs reasonable and limited assurance engagements, and related permissible professional services, for Amazon EU S.à r.l. in our capacity as a global assurance, tax, transaction, and advisory services provider.

Amazon EU S.à r.l. is an affiliate of Amazon.com, Inc., which has restrictions that only allow a pursuit of engagements by KPMG that are permissible for an SEC audit client (i.e., KPMG is the financial auditor of specific Amazon entities). Thus, this engagement is subject to SEC independence rules. No prohibited services have been provided, and the general principles of independence are met (i.e., no management function, no project management, no loan staff, no legal, no aggressive tax position, no expert witness, no advocacy, no HR, no payroll, no mutuality of interest, no auditing of our own work, no becoming part of internal controls/processes, etc.).

KPMG Advisory N.V. follows the independence rules for assurance engagements as established by the International Ethics Standards Board for Accountants (IESBA) which requires that auditors are independent from and shall not have any conflicts of interest with Amazon.

KPMG monitors independence requirements via various systems and procedures. Specifically:

- **Sentinel:** Sentinel is a secure online application developed to help all Global KPMG member firms to comply with legal and regulatory independence requirements related to the provision of services and to identify potential conflicts of interest with proposed engagements and to manage them. Sentinel prevents any KPMG employee, anywhere in the world, from working

with Amazon or its subsidiaries without the approval of the Sentinel Lead Partner. During the DSA Audit RFP process, all services that KPMG provides to Amazon, or its subsidiaries have been assessed by the relevant independence rules in the DSA under Article 37. We have conducted this independence assessment process in accordance with the Dutch independence rules and the international IESBA independence rules.

- **Training:** All partners and client-facing professionals are required to undertake the most recent annual independence training, pass an independence test, and complete an independence confirmation upon joining KPMG and annually thereafter. In addition, all partners and staff are trained on the requirements laid down in our Code of Conduct via the training 'Acting with Integrity'.
- **Confirmation of compliance:** Annually, all KPMG partners and staff need to confirm compliance with the requirements of our Code of Conduct, firm policies, and relevant independence rules. The confirmations provided are reviewed and followed up by the firm's Ethics & Independence Partner. In addition, every year, by means of a random selection, KPMG partners and staff are subject to a compliance audit performed by the Ethics & Independence department, covering all personal, financial, business and family interests.
- **Independence Compliance Declaration (ICD):** Independence Confirmation Declaration (ICD) is a digital solution to confirm our independence. Once every 18 months, all client-facing employees need to confirm our independence for that client. Before we start an engagement, we ensure that we are currently independent with respect to our clients and during the audit and engagement period. We furthermore confirm that we have signed the most recent (annual) Independence Compliance Confirmation (ICC) and have completed the most recent (annual) independence training before providing services to the clients.

**c. References to any standards relevant for the auditing team's independence that the auditing organization(s) adheres to**

Refer to the Independent practitioner's assurance report. As noted in the Reasonable Assurance Report, KPMG Advisory N.V. applies the 'Reglement Gedragscode Register IT-Auditors' (Code of Ethics) of NOREA, the IT Auditors Association in the Netherlands, and the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, including International Independence Standards, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Independence is comprised of independence of mind and independence in appearance, both of which are required of the engagement team members engaged in providing reasonable assurance engagements. Independence of mind requires that the members maintain a state of mind that permits the expression of a conclusion without being affected by influences that compromise professional judgment, thereby allowing an individual to act with integrity and exercise objectivity and skepticism. Independence of appearance is achieved by the avoidance of facts and circumstances which are so significant that a reasonable and informed third party would likely conclude – weighing all the specific facts and circumstances – that a firm's or an audit team member's integrity, objectivity, or professional skepticism has been compromised.

**d. List of documents attesting that the auditing organization complies with the obligations laid down in Article 37(3), points (a) and (c) of Regulation (EU) 2022/2065 attached as annexes to this report. Attachment 3 and 5 to Annex 1**

Our engagement agreement notes our compliance with Article 37 (3) (a) (i). Since this is the first year of the DSA audit requirement, we are, by definition, in accordance with Article 37 ((3) (ii)). Regarding Article 37 ((3) (iii)), we are not performing the audit in return for fees which are contingent on the result of the audit.

## 5. References to any auditing standards applied in the audit, as applicable

Refer to the Independent practitioner's assurance report. As noted in the Independent practitioner's assurance report, our engagement was conducted in accordance with 'ISAE 3000 (Revised)'. Those standards require that we plan and perform the reasonable assurance engagement to obtain reasonable assurance about whether management's assertion is appropriately stated, in all material respects.

## 6. References to any quality management standards the auditing organization adheres to, as applicable

We apply the 'Reglement Kwaliteitsbeheersing NOREA' (RKBN, Regulations for quality management systems) as well as the International Standard on Quality Management 1 (ISQM 1). Accordingly, we maintain a comprehensive system of quality control or quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### Section C: Summary of the main findings

#### • Summary of the main findings drawn from the audit (pursuant to paragraph 37(4), point (e) of Regulation (EU) 2022/2065)

A description of the main findings drawn from the audit can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

#### SECTION C.1: Compliance with Regulation (EU) 2022/2065

##### 1) Audit opinion for compliance with the audited obligations referred to in Article 37(1), point (a) of Regulation (EU) 2022/2065:

The audit opinion for compliance with the audited obligations set out in Chapter III of Regulation (EU) 2022/2065 can be found in [Section Audit Opinion](#) of the Independent practitioner's assurance report.

##### 2) Audit conclusion for each audited obligation:

The audit conclusion for each audited obligation can be found in [Appendix 1](#).

#### SECTION C.2: Compliance with voluntary commitments in codes of conduct and crisis protocols

##### 1) Audit opinion for compliance with the commitments made under the Code of Conduct or crisis protocol covered by the audit:

N/A, no codes of conduct and crisis protocols were adopted under the Act in the Evaluation Period.

##### 2) Audit conclusion for each audited commitment:

N/A, no codes of conduct and crisis protocols were adopted under the Act in the Evaluation Period.

#### Section C.3: Where applicable, explanations of the circumstances and the reasons why an audit opinion could not be expressed

Explanations of the circumstances and the reasons why an audit opinion could not be expressed can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

## Section D: Description of the findings: compliance with Regulation (EU) 2022/2065

### SECTION D.1: Audit conclusion for obligation

#### a. Audit conclusion

##### *Description of the audit conclusion, justification, and remarks.*

A description of the audit conclusion, justification, and remarks for each audited obligation. Can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

Operational recommendations on specific measures to achieve compliance (where the conclusion is not positive), including an explanation on the materiality of non-compliance and recommended timeframe to achieve compliance, can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

#### b. Audit procedures and their results

##### 4) Description of the audit criteria and benchmarks (together the 'Specified Requirements'), and materiality threshold used by the auditing organization pursuant to Article 10(2), point (a) of this Regulation:

A description of the audit criteria and benchmarks (together the 'Specified Requirements'), and materiality thresholds used can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

##### 1) Audit procedures, methodologies, and results:

###### a) Description of the audit procedures performed by the auditing organization, the methodologies used to assess compliance, and the justification of the choice of those procedures and methodologies (including, where applicable, a justification of the choice of standards, benchmarks, sample size(s) and sampling method(s)):

A description of the audit procedures performed, the methodologies used to assess compliance, and a justification of the choice of those procedures and methodologies can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

###### b) Description, explanation, and justification of any changes to the audit procedures during the audit:

A description, explanation, and justification of any changes to the audit procedures during the audit can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

###### c) Results of the audit procedures, including any test and substantive analytical procedures:

The results of the audit procedures, including any test and substantive analytical procedures, can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

##### 2) Overview and description of information relied upon as audit evidence, including, as applicable:

An overview and description of information relied upon as audit evidence can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

##### 3) Explanation of how the reasonable level of assurance was achieved:

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An explanation of how the reasonable level of assurance was achieved can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

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**4) In cases when:**

- a. a specific element could not be audited, as referred to in Article 37(5) of Regulation (EU) 2022/2065, or an audit conclusion could not be reached with a reasonable level of assurance, as referred to in Article 8(8) of this Regulation, provide an explanation of the circumstances and the reasons:

An explanation of the circumstances in which a specific element could not be audited, or in which an audit conclusion could not be reached with a reasonable level of assurance, can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

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**5) Notable changes to the systems and functionalities audited during the audited period and explanation of how these changes were taken into account in the performance of the audit.**

A list of notable changes to the systems and functionalities audited during the audited period and explanation of how these changes were taken into account in the performance of the audit can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

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**6) Other relevant observations and findings:**

Please see [Appendix 1](#) of the Independent practitioner's assurance report for any other relevant observations and findings.

## **SECTION D.2: Additional elements pursuant to Article 16 of this Regulation**

**1) An analysis of the compliance of the audited provider with Article 37(2) of Regulation (EU) 2022/2065 with respect to the current audit:**

An analysis of the compliance of Amazon with Article 37(2) of the Act with respect to the current audit can be found in [Appendix 1](#) of the Independent practitioner's assurance report.

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**2) Description of how the auditing organization ensured its objectivity in the situation described in Article 16(3) of the Delegated Regulation:**

N/A, as no previous audits were conducted following Article 37(2) of the Act.

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**Section E: Description of the findings concerning compliance with codes of conduct and crisis protocol**

N/A, no codes of conduct and crisis protocols were adopted under the Act in the Evaluation Period.

**Section F: Third parties consulted**

N/A, no third parties were consulted.

**Section G: Any other information the auditing body wishes to include in the audit report (such as a description of possible inherent limitations).**

Please refer to the [Independent practitioner's assurance report](#) for additional information.



<b>Date</b>	29 August 2024	<b>Signed by</b>	Koen Klein Tank MSc RE Partner
<b>Place</b>	Amstelveen	<b>In the name of</b>	KPMG Advisory N.V.
		<b>Responsible for:</b>	Entire engagement
<b>Signature</b>	<i>See signature page 14</i>		



## Appendix 4 – Written agreement between Amazon and KPMG

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## Appendix 5 – Documents relating to the audit risk analysis

**Purpose:** This appendix summarizes the risk assessment performed for the assessment of compliance with each audited obligation or commitment, including the assessment of Inherent Risks, Control Risks and Detection Risks for each audited obligation.

### Audit Risk Assessment introduction

The audit report shall include a substantiated audit risk analysis performed by the auditing organization for the assessment of Amazon's compliance with each audited obligation or commitment. The audit risk analysis shall consider:

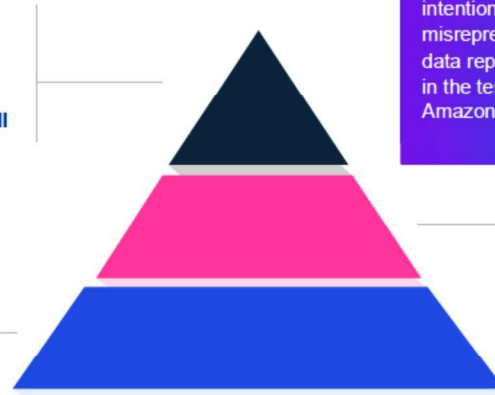
- a. Inherent Risks;
- b. Control Risks;
- c. Detection Risks.

### Detection Risk

The risk that KPMG does directly influence, namely the risk that the procedures performed by KPMG will **not detect a material misstatement**.

### Inherent Risk

The susceptibility of the Subject Matter information to a material misstatement **before consideration of any related controls**.



**Misstatement** — misstatement means an intentional or unintentional omission, misrepresentation or error in the declarations or data reported or provided by Amazon to KPMG, or in the testing environment made available by Amazon to KPMG.

### Control Risk

The risk that a **material misstatement** occurring in the Subject Matter information will not be **prevented, or detected and corrected**, on a timely basis by internal controls.

*Note: the consideration of risks is a matter of professional judgment, rather than a matter of precise measurement.*

Risk assessment procedures were performed to help identify risks of material misstatement and plan out the nature, timing, and extent of our audit procedures.

### Risk Assessment Steps performed:

1. We obtained an understanding of the systems and processes (and related controls) put in place to comply with the Specified Requirements and other engagement circumstances.

Understanding the Subject Matter is key to planning and executing an effective engagement. We obtained our understanding during planning and updated it throughout the performance of the engagement to the extent that changes would affect our overall engagement strategy or the nature, timing, and extent of our procedures.

### We obtained an understanding that was sufficient to do the following:

- enable us to identify and assess the risks of material misstatement;
- provide a basis for designing and performing procedures to respond to the assessed risks and to obtain reasonable assurance to support our opinion.



Information obtained to inform the audit risk analysis:

Described in Article 9	Information obtained, included, but not limited to:
The nature of the audited service and the societal and economic context in which the audited service is conducted, including probability and severity of exposure to crisis situations and unexpected events.	<ul style="list-style-type: none"> <li>Information from Amazon (website, voice-over, annual report, trust, and safety reports)</li> <li>The transparency reports</li> <li>The systemic risk assessment reports</li> </ul>
The nature of the obligations and commitments in Chapter III of the DSA.	<ul style="list-style-type: none"> <li>Any documentation by Amazon concerning the applicability of the Specified Requirements</li> <li>Amazon's risk assessment per Specified Requirement, including flowcharts</li> <li>Amazon's risk and control framework</li> </ul>
Other appropriate information, including, where applicable, information from previous audits to which the audited service was subjected.	<ul style="list-style-type: none"> <li>Requests for Information (RFIs) and the responses to Commission</li> </ul>
Other appropriate information, including, where applicable, information from reports issued by the European Board for Digital Services or guidance from the Commission, including guidelines issued pursuant to Article 35(2) and (3) of Regulation (EU) 2022/2065, and any other relevant guidance issued by the Commission with respect to the application of Regulation (EU) 2022/2065.	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Other appropriate information, including, where applicable, information from audit reports published pursuant to Article 42(4) of Regulation (EU) 2022/2065 by other providers of very large online platforms or of very large online search engines operating in similar conditions or providing similar services to the audited service.	<ul style="list-style-type: none"> <li>Certain published reports from other providers operating in similar conditions or providing similar services (e.g., published transparency reports)</li> </ul>

**2. We determined whether the risk factors we identified are inherent risks that may give rise to risks of material misstatement associated with the Subject Matter. We obtained an understanding by performing procedures, including reviews of relevant information, inquiries, data analytics, observations, and inspections.**

We obtained an understanding of how management prepares certain information, such as their risk assessment to comply with Article 34. We also obtained an understanding of management's process for determining the risks that would prevent the Specified Requirements from being achieved, and for designing and implementing processes and controls to address those risks.

We obtained an understanding of the components of the system of internal control at the entity level. This is an important step in performing our risk assessment procedures, as it helped us identify events and conditions that may have a pervasive effect on the susceptibility of the Subject Matters of our report to misstatement, either due to fraud or error. We obtained an understanding of how Amazon's system of internal control operates at the entity level, including:

- Control environment
- Monitoring activities
- Management's risk assessment process



### 3. For each obligation, we assessed the inherent, control and detection risk

See below for the determination of inherent, control and detection risks. Please note that in specific instances, our assessment of the risks of material misstatement changed during the engagement as additional evidence was obtained. In circumstances in which we obtained evidence from performing further procedures, or when new information was obtained, either of which being inconsistent with the evidence on which we originally based the assessment, we revised the assessment and modified the planned procedures accordingly.

Obligation	Inherent Risk	Control Risk	Audit procedures	Detection Risk
11(1)	Medium	Low	Reliance on controls	Low
11(2)	Medium	Low	Reliance on controls	Low
11(3)	Medium	Low	Reliance on controls	Low
12(1)	Medium	Low	Reliance on controls	Low
12(2)	Medium	Low	Reliance on controls	Low
14(1)	Medium	Low	Reliance on controls	Low
14(2)	Medium	Low	Reliance on controls	Low
14(4)	Medium	Low	Reliance on controls	Low
14(5)	Medium	Low	Reliance on controls	Low
14(6)	Medium	Low	Reliance on controls	Low
15(1)	Medium	Medium	Reliance on controls	Low
16(1)	High	Low	Reliance on controls	Low
16(2)	Medium	Low	Reliance on controls	Low
16(4)	Medium	Low	Reliance on controls	Low
16(5)	Medium	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
16(6)	High	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
17(1)	High	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium

17(2)	High	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
17(3)	High	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
17(4)	High	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
18(1)	Medium	Low	Reliance on controls	Low
18(2)	Medium	Low	Reliance on controls	Low
20(1) and 20(2)	High	Low	Reliance on controls	Low
20(3)	Medium	Low	Reliance on controls	Low
20(4)	High	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
20(5)	Medium	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
20(6)	Medium	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
22(1)	Medium	Low	Reliance on controls	Low
23(1) and 23(3)	Medium	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control	Substantive	Medium

		environment and for efficiency purposes.		
23(2) and 23(3)	Medium	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
23(4)	Medium	Medium	Reliance on controls	Low
24(1)	Medium	Low	Reliance on controls	Low
24(2)	Medium	Low	Reliance on controls	Low
24(3)	Medium	Low	Reliance on controls	Low
24(5)	Medium	Low	Reliance on controls	Low
25(1) and 25(2)	Medium	Low	Reliance on controls	Low
26(1)	Medium	Low	Reliance on controls	Low
26(3)	Medium	Low	Reliance on controls	Low
27(1)	Medium	Medium	Reliance on controls	Low
27(2)	Medium	Medium	Reliance on controls	Low
27(3)	Medium	Medium	Reliance on controls	Low
28(1) and 28(3)	Medium	Medium	Reliance on controls	Low
28(2) and 28(3)	Medium	Medium	Reliance on controls	Low
30(1)	High	Low	Reliance on controls	Low
30(2)	Medium	Low	Reliance on controls	Low
30(3)	Medium	Low	Reliance on controls	Low
30(4)	Medium	Low	Reliance on controls	Low
30(5)	Medium	Low	Reliance on controls	Low
30(6)	Medium	Low	Reliance on controls	Low
30(7)	Medium	Low	Reliance on controls	Low
31(1)	Medium	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
31(2)	Medium	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium

31(3)	Medium	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Medium
32(1)	Medium	N/A, we performed substantive procedures instead of control test procedures due to the complexity of Amazon's internal control environment and for efficiency purposes.	Substantive	Low
34(1) and 34(2)	High	Medium	Reliance on controls	Medium
34(3)	Medium	Low	Reliance on controls	Low
35(1)	High	Low	Reliance on controls	Low
36(1)	High	Low	Reliance on controls	Low
37(1)	Medium	Low	Reliance on controls	Low
37(2)	Medium	Low	Reliance on controls	Low
37(3)	Medium	Low	Reliance on controls	Low
38(1)	Medium	Low	Reliance on controls	Low
39(1)	Medium	Medium	Combined (Substantive + reliance on controls)	Medium
39(2)	Medium	Medium	Combined (Substantive + reliance on controls)	Medium
39(3)	Medium	Medium	Combined (Substantive + reliance on controls)	Medium
40(12)	Medium	High	Substantive	Low
41(1)	Medium	Low	Reliance on controls	Low
41(2)	Medium	Low	Reliance on controls	Low
41(3)	Medium	Low	Reliance on controls	Low
41(4)	Medium	Low	Reliance on controls	Low
41(5)	Medium	Low	Reliance on controls	Low
41(6)	Medium	Low	Reliance on controls	Low
41(7)	Medium	Low	Reliance on controls	Low
42(1)	Medium	Low	Reliance on controls	Low
42(2)	Medium	Low	Reliance on controls	Low
42(3)	Medium	Low	Reliance on controls	Low
42(4)	Medium	N/A, for efficiency purposes, we performed substantive procedures instead of control test procedures.	Substantive	Low

## Appendix 6 – Documents attesting that we complied with the obligations laid down in Article 37(3), point (a), (b), and (c)

DSA Annex	Response
<p>Documents attesting that the auditing organization complies with the obligations laid down in Article 37(3), point (a) of Regulation (EU) 2022/2065.</p>	<p>We have complied with the 'Reglement Gedragscode Register IT Auditors' (Code of Ethics) of NOREA, the IT Auditors Association in the Netherlands, and the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p> <p>We confirm that we are independent from, and do not have any conflicts of interest with Amazon pursuant to Article 37(3)(a), in particular:</p> <ul style="list-style-type: none"> <li>i. We confirm that we have not provided non-auditing services related to the Subject Matter of this engagement to Amazon.</li> <li>ii. We have not been the auditor of the DSA for more than 10 consecutive years, as we have been appointed as the auditor of the DSA for Amazon since 26 January 2024.</li> <li>iii. We confirm that we are not receiving a contingent fee based on the outcome of this audit.</li> </ul>
<p>Documents attesting that the auditing organization complies with the obligations laid down in Article 37(3), point (b) of Regulation (EU) 2022/2065.</p>	<p>In compliance with Article 37(3)(b), we conclude that we have the requisite knowledge, skills, and professional diligence under the NOREA Directive 3000A 'Assurance-opdrachten door IT auditors (attest-opdrachten)' (Assurance engagements by IT auditors - attest engagements), as issued by NOREA, the IT Auditors Association in the Netherlands as well as the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 [Revised]'). We have applied these professional standards throughout the course of our engagement.</p>
<p>Documents attesting that the auditing organization complies with the obligations laid down in Article 37(3), point (c) of Regulation (EU) 2022/2065.</p>	<p>We have complied with the 'Reglement Gedragscode Register IT Auditors' (Code of Ethics) of NOREA, the IT Auditors Association in the Netherlands, and the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p> <p>We applied 'Reglement Kwaliteitsbeheersing NOREA' (RKBN, Regulations for quality management systems) as well as the International Standard on Quality Management 1 (ISQM 1) and accordingly maintained a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.</p>

## Appendix 7 – Definitions

For the purpose of this assurance report, the terms below shall have the meanings as stated:

Term	Definition	Source
<b>Assurance engagement</b>	An engagement in which a practitioner aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the very large online platform or very large online search engine about the Subject Matter information (that is, the outcome of the measurement or evaluation of an underlying Subject Matter against criteria).	B
<b>Audit criteria</b>	The criteria against which the auditing organization assesses compliance with each audited obligation or commitment.	A
<b>Audit evidence</b>	Any information used by an auditing organization to support the audit findings and conclusions and to issue an audit opinion, including data collected from documents, databases or IT systems, interviews or testing performed.	A
<b>Audited obligation or commitment</b>	An obligation or commitment referred to in Article 37(1) of Regulation (EU) 2022/2065 which forms the Subject Matter of the audit. Unless noted otherwise, each sub-article is an audited obligation or commitment.	A
<b>Auditing organization</b>	An individual organization, a consortium or other combination of organizations, including any subcontractors that the audited provider has contracted to perform an independent audit in accordance with Article 37 of Regulation (EU) 2022/2065.	A
<b>Auditing procedure</b>	Any technique applied by the auditing organization in the performance of the audit, including data collection, the choice and application of methodologies, such as tests and substantive analytical procedures, and any other action taken to collect and analyze information for collecting audit evidence and formulating audit conclusions, not including the issuing of an audit opinion or the audit report.	A
<b>Audited provider</b>	The provider of an audited service, which is subject to independent audits pursuant to Article 37(1) of that Regulation.	A
<b>Audit risk</b>	The risk that the auditing organization issues an incorrect audit opinion or reaches an incorrect conclusion concerning the audited provider's compliance with an audited obligation or commitment, considering detection risks, inherent risks, and control risks with respect to that audited obligation or commitment.	A
<b>Audited service</b>	A very large online platform or a very large online search engine designated in accordance with Article 33 of Regulation (EU) 2022/2065.	A
<b>Control risk</b>	The risk that a misstatement is not prevented, detected and corrected in a timely manner by means of the audited provider's internal controls.	A
<b>Detection risk</b>	The risk that the auditing organization does not detect a misstatement that is relevant for the assessment of the audited provider's compliance with an audited obligation or commitment.	A
<b>Engagement risk</b>	The risk that the practitioner expresses an inappropriate conclusion when the Subject Matter information is materially misstated.	B
<b>Evaluation Period</b>	The period in scope of the assurance engagement.	B
<b>Evidence</b>	Information used by the practitioner in arriving at the practitioner's conclusion. Evidence includes both information contained in relevant information systems, if any, and other information.	B
<b>General IT Controls</b>	General IT Controls (GITC) are controls that relate to the environment that supports IT applications. The appropriateness and effectiveness of GITC therefore impacts the functioning of IT applications.	C
<b>Inherent risk</b>	The risk of non-compliance that is intrinsically related to the nature, design, activity, and the use of the audited service, as well as the context in which it is conducted, and the risk of non-compliance related to the nature of the audited obligation or commitment.	A

Term	Definition	Source
<b>Intended users</b>	The individual(s) or organization(s), or group(s) thereof that the practitioner expects to be using the assurance report.	B
<b>Internal control</b>	Any measures, including processes and tests, which are designed, implemented, and maintained by the audited provider, including its compliance officers and management body, to monitor and ensure the audited provider's compliance with the audited obligation or commitment.	A
<b>Materiality threshold</b>	The threshold beyond which deviations or misstatements by the audited provider, individually or aggregated, would reasonably affect the audit findings, conclusions, and opinions.	A
<b>Misstatement</b>	A difference between the Subject Matter information and the appropriate measurement or evaluation of the underlying Subject Matter in accordance with the criteria. Misstatements can be intentional or unintentional, qualitative or quantitative, and may include omissions.	B
<b>Practitioner</b>	The individual(s) conducting the engagement (usually the engagement partner or other members of the engagement team, or, as applicable, the firm).	B
<b>Professional judgment</b>	The application of relevant training, knowledge, and experience, within the context provided by assurance and ethical standards, in making informed decisions about the courses of action that are appropriate in the circumstances of the engagement.	B
<b>Professional skepticism</b>	An attitude that includes a questioning mind, being alert to conditions indicative of possible misstatement, and a critical assessment of evidence.	B
<b>Reasonable assurance engagement</b>	An assurance engagement in which the practitioner reduces engagement risk to an acceptably low level in the circumstances of the engagement as the basis for the practitioner's conclusion. The practitioner's conclusion is expressed in a form that conveys the practitioner's opinion on the outcome of the measurement or evaluation of the underlying Subject Matter against criteria.	B
<b>Specified requirements</b>	The individual applicable DSA commitments (i.e., sub-articles) in combination with the benchmarks provided by Amazon that have been subjected to auditing procedures.	
<b>Subject Matter</b>	The phenomenon that is measured or evaluated by applying criteria.	B
<b>Subject Matter information</b>	The outcome of the measurement or evaluation of the underlying Subject Matter against the criteria, i.e., the information that results from applying the criteria to the underlying Subject Matter.	B
<b>Substantive analytical procedure</b>	An audit methodology used by the auditing organization to assess information for inferring audit risks or compliance with the audited obligation or commitment.	A
<b>Test</b>	An audit methodology consisting of measurements, experiments, or other checks, including checks of algorithmic systems, through which the auditing organization assesses the audited provider's compliance with the audited obligation or commitment.	A
<b>Vetted researcher</b>	A researcher vetted in accordance with Article 40(8) of Regulation (EU) 2022/2065.	A

Sources used:

A – Delegated Act, Article 2

B – ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information

C – ACCA Global