

January 31, 2022

Jamie S. Gorelick, Chair of the Nominating and Corporate Governance Committee

Amazon.com Inc.

410 Terry Avenue

North Seattle, Washington, 98109

Cc: Tessie Petion, Kara Hurst, Mark Hoffman

Dear Ms Gorelick,

We, the undersigned institutional investors, representing combined assets under management or advice of over USD 6,4 trillion. We are reaching out again to emphasize the role that worker representation plays in supporting companies in identifying and managing operating risks. Furthermore, we underscore that workers should be free to exercise their freedom of association and right to collective bargaining without company interference, which are internationally recognized human rights.

As investors committed to international standards, such as The UN Guiding Principles on Business and Human Rights, we expect companies to meet the expectations set out therein. Namely, *"business enterprises should have in place policies and processes appropriate to their size and circumstances, including:*

- (a) A policy commitment to meet their responsibility to respect human rights;*
- (b) A human rights due diligence process to identify, prevent, mitigate and account for how they address their impacts on human rights;*
- (c) Processes to enable the remediation of any adverse human rights impacts they cause or to which they contribute."*¹

It is against this background and with these expectations, that we acknowledge Amazon's Global Human Rights Principles. We take note of the company's commitment to The UN Guiding Principles on Business and Human Rights, which recognises the fundamental right of workers to organise a union, should they so choose. We also note that Amazon has completed a human rights impact assessment of the raw and recovered materials supply chain for Amazon-branded digital devices.

However, despite these initiatives, and following discussions with Amazon's Head of ESG Engagement, we remain concerned that the company has yet to demonstrate how it meets its commitments not only to respect human rights but also to transparency and stakeholder engagement.

¹ United Nations. (2011). Guiding principles on business and human rights: Implementing the United Nations "Protect, Respect and Remedy" framework.

We encourage Amazon to further improve disclosure and transparency regarding:

- efforts by Amazon to ensure that its employees may exercise their “right to join, form, or not to join a labor union or other lawful organization of their own selection, without fear of reprisal, intimidation, or harassment”² (e.g., through a neutrality or global framework agreement with a trade union);
- human rights due diligence processes that Amazon has in place to identify the salient human rights issues that it has reported on (such as risks to the fundamental human rights to freedom of association and collective bargaining)³;
- processes to engage in meaningful consultation with all relevant rights-holders and other stakeholders (such as with this group of investors) to support Amazon with the disclosure of material information on the identification of human rights risks⁴; and
- results of the mechanisms and processes that Amazon has in place to review human rights risks and remediate identified negative impacts.⁵

Underpinning these concerns is evidence that Amazon interferes with and discourages its workers’ efforts to exercise their right to freedom of association. For example, during the February/March 2021 union election at its facility in Bessemer, Alabama, Amazon reportedly violated both United States labour law and International Labour Organization standards. The Regional Director of the US National Labor Relations Board Region 10 (NLRB) concluded that Amazon’s conduct, including the installation of a mailbox at its facility, the appearance of worker surveillance, impermissible electioneering, and management polling of employees, “interfered with the laboratory conditions necessary to conduct a fair election.” As a result, the Regional Director “ordered that the election that commenced on February 8 is set aside, and a new election shall be conducted.”⁶ **The NLRB has announced that a new election will commence February 4, 2022.**⁷

In Bessemer, Amazon engaged in activities that, while ostensibly legal under US law, violate the letter and spirit of the fundamental human rights spelled out in the ILO Core Conventions, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Universal Declaration of Human Rights, all of which Amazon has pledged to uphold.

In a separate case, Amazon admitted that it violated US labor law with its policy restricting its workers’ access to non-working areas beyond 15 minutes before and after their shifts. The

² Amazon. Amazon Global Human Rights Principles.

³ Amazon. (September 2020). UN Guiding Principles (UNGP) Reporting Framework; Amazon France Logistique (2020). 2020 Duty of Vigilance Plan.

⁴ An example of such a process could be that Amazon undertake a survey amongst its investors to prioritise the salient ESG issues and risks about which investors are seeking more information.

⁵ Amazon. Human Rights Strategy.

⁶ U.S. National Labor Relations Board, Region 10, “Decision and Direction of Second Election,” Case 10-RC-269250, November 29, 2021, <https://www.nlr.gov/case/10-RC-269250>.

⁷ Karen Weise, “A Timeline Is Set for a New Unionization Vote at an Amazon Warehouse.,” *The New York Times*, January 11, 2022, sec. Technology, <https://www.nytimes.com/2022/01/11/technology/amazon-union-vote-alabama.html>; U.S. National Labor Relations Board, “Notice of Second Election,” January 11, 2022, <https://s3.documentcloud.org/documents/21176959/nlr-notice-of-election-in-bessemer-al.pdf>.

restriction prevented workers from exercising their right to freedom of association, specifically by retaliating against workers engaged in union or protected concerted activities.⁸

We also note reports that across its global operations, Amazon has shown a pattern of resistance to dialogue with trade unions,⁹ including refusal to collectively bargain with trade unions resulting in continued strike actions in Germany.¹⁰

The investors signing this letter are jointly reiterating our demand to Amazon to take immediate measures to implement its stated commitment to ILO Core Conventions, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Universal Declaration of Human Rights.¹¹ Concretely, this may be achieved through the following measures:

- Immediately adopt a global policy of neutrality¹² and implement this policy for unionization efforts and elections, including in Bessemer and Staten Island, by immediately ceasing all anti-union communications, including public statements¹³, captive audience meetings¹⁴, texts, websites, on-site billboards, and any other form of contact with workers regarding their freedom of association;
- Should a majority of the voting employees vote for the union at any facility, commit to negotiate with the union in good faith; and
- Initiate dialogue with the relevant trade unions at the national and global levels on how Amazon can implement its labour rights commitments.

We believe that investment risks exist where there is a mismatch between a company's stated approach to human rights and what happens in practice. We therefore seek a genuine explanation of Amazon's approach to respecting human rights and how its policies and procedures are implemented in practice, at its facilities in Bessemer and Staten Island, and elsewhere.

⁸ United States National Labor Relations Board, Settlement Agreement, Cases 13-CA-275270, 13-CA-276695, 13-CA279376, 29-CA-278982, 29-CA-282693, and 29- CA-284417, December 22, 2021, <https://s3.documentcloud.org/documents/21169264/amazon-nlr-agreement-december-2021.pdf>.

⁹ <https://www.amnesty.de/sites/default/files/2020-11/Amnesty-Briefing-Amazon-Gewerkschaften-November-2020.pdf>

¹⁰ <https://www.reuters.com/business/retail-consumer/amazon-workers-germany-strike-better-pay-2021-11-01/>

¹¹ As articulated and established under Amazon's Global Human Rights Principles.

¹² In line with international standards and Amazon's Global Human Rights Principles, a "policy of neutrality" would entail that Amazon refrain from interfering in any way with an employee's decision to associate. Implementation of such a policy would benefit from consultation with relevant stakeholders and experts, such as local trade unions and global union federations. International Labour Organization, ILO Helpdesk; Q&As on Business and freedom of association, https://www.ilo.org/empent/areas/business-helpdesk/faqs/WCMS_DOC_ENT_HLP_FOA_FAQ_EN/lang--en/index.htm#Q3

¹³ Michael Corkery and Karen Weise, "Amazon Union Drive Takes Hold in Unlikely Place," *The New York Times*, January 25, 2021, sec. Business, <https://www.nytimes.com/2021/01/25/business/amazon-union-alabama.html>; Connor Sheets, "Amazon Workers at Alabama Warehouse One Step Closer to Union Vote," *AL.com*, December 29, 2020, <https://www.al.com/news/2020/12/amazon-workers-at-alabama-warehouse-one-step-closer-to-union-vote.html>.

¹⁴ We are also concerned that by calling such meetings during the ongoing pandemic, Amazon is unduly placing its workers' health and safety at risk.

We would like to request a meeting to discuss these issues with you, and ask that you respond, to Emilie Westholm at emilie.westholm@folksam.se and Fredric Nyström at fredric.nystrom@ohman.se to organise a time for a meeting.

The list of investors supporting this enquiry is detailed below.

Yours sincerely,

Emilie Westholm

Fredric Nyström

Head of Responsible Investment, Folksam

Head of Responsible Investment, Öhman

Initial Engagement Sponsors:

Alecta

KLP

Storebrand Asset Management

Supporting Engagement Sponsors:

Achmea Investment Management
Adrian Dominican Sisters, Portfolio Advisory Board
Investor Advocates for Social Justice
AJF Financial Services
American Baptist Home Mission Society
Australian Ethical Investment
Aviva Investors
Bank J. Safra Sarasin
BMO Global Asset Management
CANDRIAM
Catherine Donnelly Foundation
CCLA Investment Management
Change Finance
Church of England Pensions Board
Comitato Lady Lawyer Village
Congregation of St. Joseph
CorpGov.net (Corporate Governance)
CtW Investment Group
Dana Investment Advisors
Daughters of Charity, Province of St. Louise
De Pury Pictet Turrettini & Cie
Domini Impact Investments
Dominican Sisters
EOS at Federated Hermes¹⁵
ESG Portfolio Management
Ethos Foundation
Fonditel B, fondo de pensiones
Fondo de Pensiones de Empleados de Telefónica España
Fondo de pensiones para afiliados de CCOO (CCOO, FP)
Friends Fiduciary Corporation
Geroa Pentsioak EPSV de Empleo
Harrington Investments, Inc.
Heartland Initiative, Inc.
Illinois State Treasurer Michael Frerichs
Impact Investors, Inc.
JSA Sustainable Wealth Management
La Banque Postale Asset Management
Legal & General Investment Management
Local Authority Pension Fund Forum
Lombard Odier Investment Managers
Länsförsäkringar Fondförvaltning AB
Mercy Investment Services, Inc

¹⁵ Acting on behalf of all its stewardship client assets.

Middletown Works Retiree Health Care Fund
Miller/Howard Investments, Inc.
Natural Investments LLC
NEI Investments
New York City Office of the Comptroller
Niederösterreichische Vorsorgekasse AG
North America's Building Trades Unions
Northern LGPS
P+, Pensionskassen for Akademikere
Parnassus Investments
PFA
PIRC ltd
Plan de Pensiones de Empleados de Caixabank (Pensions Caixa 30-PC30)
Plan de Pensiones de UGT
Priests of the Sacred Heart
Region VI Coalition for Responsible Investment
Robeco
Sarasin & Partners LLP
SEB Investment Management
SHARE
SharePower Responsible Investing
Sisters of St. Francis of Philadelphia
Sisters of St. Joseph of Brentwood
Sisters of the Presentation of the BVM of Aberdeen SD
Skandia
SRI Investing
Swedbank Robur
Sycomore Asset Management
Trade Union Share Owners (TUSO)
TUC Superannuation Society
UNISON Staff Pension Scheme
Vancity Investment Management
VidaCaixa
Visionsuper
Zevin Asset Management, LLC