

9 February 2021

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 emphasize the role that worker representation plays in supporting companies in identifying and managing operating risks. Furthermore, we underscore that as an internationally recognised human right, workers should be free to exercise their freedom of association and right to collective bargaining.

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, that *“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 applaud the launch by Amazon of its Global Human Rights Principles. Through this policy we have taken note of the company’s commitment to The UN Guiding Principles on Business and Human Rights, which in turn recognises the fundamental right of workers to exercise their right to organise, should they choose to. We are also encouraged by the announcement that Amazon has commissioned a human rights impact assessment by an external consultant.

However, in spite of these initiatives that have been announced and following discussions with Amazon’s Head of ESG Engagement, we remain concerned that the company has yet to demonstrate how it meets the commitments that it has set, 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:

- activities and efforts by Amazon to assure its employees of 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 Amazon’s Connections or Voice of the Associate programmes; or alternatively 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 the fundamental human right to freedom of association and the right to 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 negative impacts that are identified.⁵

Underpinning these concerns, are recent allegations that the company has engaged in activity at its Bessemer facility in Alabama (USA) that contravenes Amazon’s Global Principles on Human Rights. Specifically, we have learned of complaints that Amazon is actively interfering in and discouraging workers’ efforts to exercise their freedom of association.⁶

The investors signing this letter are jointly asking 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.⁷ Concretely, examples of how this may be achieved at the Bessemer facility include the following measures:

- Immediately adopt a global policy of neutrality⁸, and implement this policy for the remainder of the union election in Bessemer by immediately ceasing all anti-union communications,

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 that investors are seeking more information on.

⁵ Amazon. Human Rights Strategy.

⁶ Examples of such activity that we have been informed of are the sending of mass text messages to employees; organization of so called “captive audience” meetings for workers; and the establishment and maintenance of the following website, which has been attributed to Amazon:

<https://www.doitwithoutdues.com/>.

⁷ As articulated and established under Amazon’s Global Human Rights Principles.

⁸ In line with international standards and Amazon’s Global Human Rights Principles, a “policy of neutrality” would entail that Amazon not interfere with an employee’s decision to associate and also recognise that all workers are free to form and/or join a trade union of their choice.

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

including public statements⁹, captive audience meetings¹⁰, 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 in Bessemer, 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 the Bessemer facility.

We sincerely welcome the opportunity to discuss these issues with you, and ask that you respond, to Oshni Arachchi at oshni.arachchi@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 Investments, Folksam

Head of Responsible Investment, Öhman

Initial Engagement Sponsors:

Alecta

KLP

Storebrand Asset Management

⁹ 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>.

¹⁰ We are also concerned that by calling such meetings during the ongoing pandemic, Amazon is unduly placing its workers' health and safety at risk.

Supporting Engagement Sponsors:

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Adrian Dominican Sisters, Portfolio Advisory Board
Investor Advocates for Social Justice
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CorpGov.net (Corporate Governance)
CtW Investment Group
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Daughters of Charity, Province of St. Louise
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ESG Portfolio Management
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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
Länsförsäkringar Fondförvaltning AB
Mercy Investment Services, Inc
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Miller/Howard Investments, Inc.
Natural Investments LLC
NEI Investments
New York City Office of the Comptroller
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
SEB Investment Management
SHARE
SharePower Responsible Investing
Sisters of St. Francis of Philadelphia
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TUC Superannuation Society
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VidaCaixa
Zevin Asset Management, LLC