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THOMAS P. DiNAPOLI

November 13, 2023

Paul S. Pressler
Chairman of the Board of Directors
c/o Corporate Secretary
eBay Inc.
2025 Hamilton Ave.
San Jose, CA 95125

Dear Mr. Pressler:

We write to reiterate our request that the Board of Directors take steps to ensure that management complies with its stated human rights commitments outlined in eBay's *Human Rights Policy Statement* (the "Human Rights Policy"). We also request that the Board restore the language in the Human Rights Policy that describes the company's commitment to fundamental workers' rights. Until it was recently deleted, the Human Rights Policy stated that "eBay also respects workers' rights to unionize and commits to bargain in good faith with any relevant associations or labor unions."

The circumstances surrounding the revision to the Human Rights Policy are unsettling and raise investor concerns about the Board's commitment to human rights and its independent oversight. It is particularly troubling that this change coincided with a unionization effort within a recently acquired subsidiary and occurred after investors expressed concerns about management's compliance with the now-deleted provision. This sequence of events may lead some eBay employees and shareholders to believe that the company has rescinded its commitment to uphold workers' fundamental human rights to form a union and engage in collective bargaining, especially those who are not familiar with the global human rights instruments that eBay claims to respect.

The New York City and New York State pension funds collectively have more than \$500 billion in assets under management, including approximately 2.5 million eBay shares valued at \$111 million (at 6/30/23). We are both long-term eBay investors and signatories to the June 16, 2023, investor letter to you and Jamie Iannone, which expressed investor concern over the apparent misalignment between eBay's stated human rights commitments and management's conduct at its recently acquired subsidiary, TCGPlayer.

In that letter, we commended eBay for adopting the Human Rights Policy, which expressly references the United Nations' *Guiding Principles on Business and Human Rights* and the International Labor Organization's ("ILO's") *Fundamental Conventions*. We also underscored the now-vanished provision that clearly articulated eBay's commitment to respect workers' rights to unionize and to bargain in good faith with relevant associations or labor unions.

More specifically, we were (and remain) concerned about reports of company conduct inconsistent with these commitments under both U.S. law and internationally recognized labor standards. We requested that the Board undertake due diligence to ensure that management's conduct throughout the Company aligns with the Human Rights Policy.

However, rather than engaging long-term investors, and taking the steps requested to assess and ultimately ensure such alignment, the Board appears to have instead revised the language of the Human Rights Policy to align with management's alleged actions, both before and since TCGPlayer employees voted to unionize.

In the run-up to the March 11, 2023, union election at TCGPlayer, management was alleged to have violated U.S. labor law by surveilling employees at work, holding anti-union meetings where anti-union messages were disseminated, and taking note of employees who displayed support for the union.¹ In addition, since the National Labor Relations Board ("NLRB") rejected eBay's request to invalidate the election, among allegations of other violations of the National Labor Relations Act, the union has filed two unfair labor practice charges against eBay's alleged refusal to bargain and bad faith bargaining.² While those charges are pending at the NLRB, it has been reported that management continues to delay and resist bargaining in good faith. For instance, according to the workers' bargaining committee, it recently proposed 25 dates to eBay's negotiating team, which accepted only one.³

While the Board has excised some of the language from the Human Rights Policy plainly describing its respect for workers' rights to unionize, the policy maintains that eBay will strive to conduct its business in a manner consistent with the principles set forth in the United Nations *Guiding Principles on Business and Human Rights* and the ILO's *Fundamental Conventions*.

These international labor standards include respecting workers' rights to freedom of association, meaning the right to form a union without management interference, and to bargain collectively. Given eBay's alleged refusal to bargain, it is noteworthy that the current Human Rights Policy expressly acknowledges freedom of association as a "fundamental human right," without mentioning collective bargaining.

¹ See <https://www.ign.com/articles/magic-pokemon-and-yu-gi-oh-seller-tcgplayer-faces-several-union-busting-complaints> and <https://www.nlr.gov/case/03-CA-311055>

² See <https://www.nlr.gov/case/03-CA-322767> and <https://www.nlr.gov/case/03-CA-322768>

³ Under Section 8(d) & 8(a)(5) of the NLRA, employers may not either "fail to meet with the union at reasonable times and reasonable intervals or "engage in bad-faith, surface, or piecemeal bargaining." See <https://www.nlr.gov/about-nlr/rights-we-protect/the-law/bargaining-in-good-faith-with-employees-union-representative>

Based on the excised language, we can only conclude that, as a matter of policy, the board and management no longer wish to publicly highlight the substance to which eBay has committed. If that is not the case, why delete the language?

In the spirit of upholding eBay's legacy as an ethical, transparent, and trusted company, we renew our request that the Board take steps to ensure that management fully complies with its commitments to respect fundamental workers' rights. We also urge the Board to promptly restore the publicly stated expression of its values and these commitments, once a hallmark of the company's Human Rights Policy.

We look forward to a response by December 4, 2023. If you would like to discuss these concerns, please contact Michael Garland, Assistant Comptroller for Corporate Governance and Responsible Investment in the Office of New York City Comptroller Brad Lander, at mgarlan@comptroller.nyc.gov to schedule a meeting.

Sincerely,



Brad Lander
New York City Comptroller



Thomas P. DiNapoli
New York State Comptroller

cc: Board of Directors
Jamie Iannone, CEO