

June 16, 2023

Via UPS and email to: mhuber@ebay.com

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

Dear Messrs. Pressler and Iannone,

We, the undersigned investors, representing \$1.19 trillion in assets under management or advisement, are writing to express concern over an apparent misalignment between eBay's stated human rights commitments and the conduct of management at a recently acquired subsidiary. Such misalignment may lead to significant reputational, legal, and operational risks that may negatively impact shareholder value. We commend eBay for its stated commitment to respecting its workers' rights to free association and collective bargaining in its *Human Rights Policy Statement*, which explicitly refers to the United Nations' *Guiding Principles on Business and Human Rights* and the International Labor Organization's *Fundamental Conventions*, and expressly states that "eBay also respects workers' rights to unionize and commits to bargain in good faith with any relevant associations or labor unions."

However, we are disturbed by reports that a recently acquired eBay subsidiary has engaged in conduct highly inconsistent with these commitments. As you likely know, employees at TCGPlayer, which eBay acquired in October 2022¹, voted to unionize on March 11, 2023.² In the run up to that election, TCGPlayer management was alleged to have violated U.S. labor law by surveilling employees at work and taking note of employees who displayed support for the union,³ and was also alleged to have held mandatory management-led meetings where anti-union messages were disseminated.⁴ Without speaking to the accuracy of these allegations -- which are under investigation by the National Labor Relations Board (NLRB) -- we note that the ILO's Committee on Freedom of Association has asserted that "all appropriate measures should be taken to guarantee that ... trade union rights can be exercised ... in a climate free of violence, pressure, fear and threats of any kind."⁵ This standard is more demanding than the current interpretation of U.S. labor law, but as noted above, it is to this standard that eBay has committed, and to which its conduct must be evaluated by both the Board and investors.

¹ <https://www.prnewswire.com/news-releases/ebay-acquires-tcgplayer-301663370.html>

² <https://www.engadget.com/tcgplayer-workers-form-ebay-first-union-095615128.html>

³ <https://www.ign.com/articles/magic-pokemon-and-yu-gi-oh-seller-tcgplayer-faces-several-union-busting-complaints>; <https://www.nlr.gov/case/03-CA-311055>

⁴ <https://news.bloomberglaw.com/daily-labor-report/card-trading-company-hit-with-labor-charges-over-worker-threats>; <https://www.nlr.gov/case/03-CA-311560>

⁵ See ILO Committee on Freedom of Association, *Compilation of Decisions* (2018), para. 73, at https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/freedom-of-association/WCMS_632659/lang--en/index.htm.

Additionally, since the March 11, 2023 election, TCGPlayer has apparently not engaged in any bargaining with the union designated by its employees, and has reportedly refused to respond to the union's request for information, which would help workers prepare for bargaining. In our view, this conduct represents a clear breach with eBay's stated policies, as quoted above. We are aware that TCGPlayer filed objections to the successful union election that were rejected by the regional director of the NLRB, and that TCGPlayer subsequently filed an appeal to the full NLRB. Nevertheless, eBay has committed to respecting the right to collective bargaining, and this commitment holds regardless of the procedural maneuvers of TCGPlayer under U.S. labor law. As the U.N. Guiding Principles state: "[A business enterprise's] responsibility to respect human rights ... exists independently of States' abilities and/or willingness to fulfil their own human rights obligations, ... [and] is distinct from issues of legal liability and enforcement, which remain defined largely by national law provisions in relevant jurisdictions."⁶ Moreover, eBay's Human Rights Policy Statement, as quoted above, clearly states that the Company "commits to bargain in good faith with any **relevant** associations or unions."⁷ In our view, there can be no question that the union designated by a majority of TCGPlayer employees is "relevant," and that TCGPlayer management's refusal to bargain is therefore in violation of eBay's stated policy.

As you are no doubt aware, many investors are increasingly concerned that U.S. employers, including Apple, Amazon, Starbucks, and CVS, are failing to demonstrate their articulated commitments to international human rights and labor rights standards in practice. Many of the signatories to this letter have sponsored or supported shareholder resolutions identifying this gap between commitment and conduct and calling for Boards of Directors to account for it either through an internal review or through a third-party assessment. It is our sincere hope that by bringing our concerns to your attention, eBay's Board will ensure prompt changes in TCGPlayer management's conduct and will undertake further due diligence to ensure that management conduct throughout the Company aligns with eBay's Human Rights Policy Statement.

We would welcome the opportunity to discuss these concerns with you in greater detail. To coordinate a meeting, please contact Richard Clayton at rclayton@socinvestmentgroup.com.

Sincerely,

Andra AP-fonden / AP2

New York City Comptroller Brad Lander

AP3 Tredje AP fonden

Öhman Fonder

AP Pension

Pensions & Investments Research Consultants Ltd

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Thomas P. DiNapoli, New York State Comptroller

⁶ Page 13, https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinessshr_en.pdf

⁷ <https://www.ebayinc.com/company/human-rights-policy-statement/>, emphasis added.