



Dear Starbucks Shareholders,

Starbucks Workers United - a group of Starbucks retail partners organizing for better working conditions and a better future - **urges you to vote FOR the Assessment of Worker Rights Commitment shareholder proposal, which is Proposal # 8 in Starbucks proxy materials provided in connection with its annual shareholder meeting on March 23, 2023.** The proposal's lead filers are Trillium Global Equity Fund, NYC Comptroller Brad Lander on behalf of the New York City Retirement Systems, PIRC on behalf of Merseyside Pension Fund, and SHARE on behalf of the Catherine Donnelly Foundation.

Freedom of association and collective bargaining rights are fundamental human rights recognized in the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization's (ILO) Core Labor Standards and Conventions.¹ In its Global Human Rights Statement, Starbucks commits to adhere to the ILO Core Labor Standards, pledging to respect "the rights to non-discrimination, equal pay for equal work, freedom of association, participation in collective bargaining and just and favorable conditions of work, such as ensuring the health and safety of our Partners."²

Starbucks refers to its employees as "partners," touting that "we are all partners in shared success."³ Starbucks commits to "respect the human and civil rights of our Partners" and to live up to core values including "[c]reating a culture of warmth and belonging" as well as "[b]eing present, connecting with transparency, dignity, and respect."⁴ Starbucks even maintains an empty chair at corporate leadership and board meetings to represent partners.⁵

While these espoused values and public commitments are inspiring, unfortunately they are not the reality experienced by many partners, especially those of us that have sought to assert our right to join a labor union and bargain collectively. Starbucks has violated partners' rights to form a union and bargain collectively by interfering with unionization efforts, retaliating against union supporters, and refusing to recognize duly-elected unions in its stores.

We began organizing our union over a year ago as Starbucks Workers United, so far achieving union recognition rights at nearly 300 stores covering more than 7,000 partners.⁶ We are organizing a union to bring out the best in all of us: We are not anti-Starbucks. We *are* Starbucks!

¹ <https://www.ilo.org/declaration/lang--en/index.htm> accessed Feb 17, 2023

² <https://stories.starbucks.com/press/2020/global-human-rights-statement/> accessed Feb 17, 2023

³ <https://www.starbucks.com/careers/working-at-starbucks/culture-and-values/> accessed Feb 17, 2023

⁴ <https://www.starbucks.com/careers/working-at-starbucks/culture-and-values/> accessed Feb 17, 2023

⁵ Meisenzahl, Mary, "Starbucks keeps 2 chairs empty to represent customers and employees at every corporate meeting," Business Insider, Jul 29, 201

⁶ <https://unionelections.org/data/starbucks/> accessed Feb 17, 2023

We know what it takes to operate stores and provide great customer service, and we know best what we need to be able to do our jobs to the fullest. We are organizing our union because we care about this company and aren't getting the resources we need to do our best work. We are understaffed, overextended, exhausted, and burned-out and know firsthand the negative effect this has on our ability to provide exceptional customer service. In addition to the overly demanding workload and staffing shortages, we informed previous CEO Kevin Johnson, current CEO Howard Schultz, and incoming CEO Laxman Narasimhan about other serious concerns that we continuously face, including appliances breaking down and lack of training.

Regretfully, Starbucks has responded to our organizing with an aggressive campaign to interfere with our freedom of association rights, including the National Labor Relations Board (NLRB) finding that partners were "unlawfully fired, threatened, surveilled and questioned."⁷ We believe these efforts hurt the business by creating a climate of intimidation that is detrimental to customer service and the atmosphere we try to cultivate in our stores.

Partners faced intimidation from Starbucks managers as they began to exercise their lawful rights to form a union. As the first partners began voting to unionize in the Buffalo, NY area, it's reported that Starbucks "sent more managers to Buffalo than workers voting in the first three elections."⁸ These managers "flooded stores" to deter workers from voting for the union and held mandatory anti-union meetings, telling partners that voting for the union may result in their benefits going away.⁹

Starbucks management has retaliated in various ways against partners in stores where union elections were sought. For example, partners at one store report hours were drastically cut by as much as 50% the same week they began signing union cards. Another partner recounts that "an hour or two after we filed for a union election, management removed all the slip-resistant, anti-fatigue mats from our store and threw them in the dumpster. Each time we asked why this was done, we were given a different answer." A Starbucks manager has testified that he was "instructed to single out and discipline pro-union employees for unrelated reasons ..." as well as given names of pro-union partners and told to "punish them."¹⁰

Starbucks is refusing to bargain collectively following successful union elections. For example, after Starbucks refused to recognize the union at its Seattle Roastery, the NLRB ordered "Starbucks to recognize Workers United as the workers' bargaining representative and meet for negotiations at the union's request."¹¹ A judge issued a bargaining order at one Kansas City, MO-area store after finding that Starbucks violated the law by "firing workers, calling the cops on them and taking other steps to stifle

⁷ Mach, Jessica, "NLRB Says Philly Starbucks Must Rehire, Pay Fired Workers, Law360, Feb 13, 2023; The National Labor Relations Board is the federal agency that oversees the union process.

⁸ Sainato, Michael, "Starbucks launches aggressive anti-union effort as upstate New York stores organize," The Guardian, Nov 23, 2022

⁹ Sainato, Michael, "Starbucks launches aggressive anti-union effort as upstate New York stores organize," The Guardian, Nov 23, 2022

¹⁰ Eidelson, Josh, "Starbucks Ex-Manager Says He Was Told to Punish Pro-Union Employees", Bloomberg, Oct 11, 2022

¹¹ Campbell, Braden, "Seattle Starbucks Must Bargain With Union, NLRB Rules, Law360, Nov 30, 2022

union organizing.”¹² The NLRB has also filed a complaint alleging that Starbucks illegally refused to bargain with 21 unionized stores in Washington and Oregon.¹³

Starbucks’ actions against partners lawfully seeking to form their union run counter to the company’s ILO commitments and have led us to file numerous Unfair Labor Practice charges against the company. After investigating and finding merit to many of the partners’ charges, the NLRB has filed over 70 complaints against Starbucks, most of which are still being litigated. These complaints consolidate many of our charges and cover more than 1,300 alleged labor rights violations. A number of judges have already found Starbucks guilty of violating partners’ rights, including firing workers for supporting the union.¹⁴

Partners have also had to resort to workplace actions such as strikes. In 2022, we struck at 164 separate stores around the country for the equivalent of 658 days. On one day alone, approximately 2,000 partners struck at over 100 stores.¹⁵

Starbucks’ anti-union campaign is drawing a steady stream of potentially damaging press and political scrutiny, including partners meeting with President Biden at the White House, partners testifying in front of Congress, and politicians joining partners on strike lines.¹⁶

And that political scrutiny recently escalated: on February 7th, the U.S. Senate Committee on Health, Education, Labor and Pensions sent a letter to Howard Schultz inviting him to testify before the Committee.¹⁷ According to the letter, this hearing will “... focus on Starbucks’ compliance with Federal labor laws.”¹⁸

We’re organizing a union to create a democratic workplace where we have a real voice in this company. Starbucks reserves an empty-seat for partners at the board table, we want a real seat at the table. We want to make Starbucks a better company and a better place to work.

We believe Starbucks’ anti-union campaign against us violates the company’s own commitment to respect its employees’ rights and urge shareholders to vote FOR Proposal 8 requesting a third-party assessment of Starbucks’ adherence to its labor rights commitments.

¹² Campbell, Braden, “NLRB Judge Hits Starbucks With Bargaining Order,” Law360, Oct 13, 2022

¹³ Eidelson, Josh, “Starbucks illegally refused union contract talks at 21 cafes, NLRB says,” Bloomberg, as published in the Los Angeles Times, Dec 28, 2022

¹⁴ Campbell, Brian, “NLRB Judge Hits Starbucks With Bargaining Order,” Law360, Oct 13, 2022, Helmore, Edward, “Starbucks employee was fired illegally, labor board judge rules,” The Guardian, Oct 8, 2022, and Decision, US Before the National Relations Board Division of Judges, Starbucks Corporation and Chicago and Midwest Regional Joint Board, Workers United, SEIU, JD-66-22, Oct 12, 2022

¹⁵ Isidore, Chris, “About 2,000 Starbucks workers stage one-day strike at more than 100 stores”, CNN, Nov 17, 2022

¹⁶ Scheiber, Noam, “Biden and Harris meet with labor organizers from Amazon and Starbucks”, The New York Times, May 5, 2022; Blumberg, Nick, “Union Backers Blast Starbucks Labor Practices During Capitol Hill Hearing”, WTTW, Sep 14, 2022; Bedford, Tori, “Striking Boston Starbucks Workers Declared Victory - Here’s What That Means for Organizers Nationwide”, GBH News, Sep 22, 2022, and Lazar, David, “Chelsea Starbucks Workers Strike, Allege Bed Bugs And Mold,” Spectrum News NY1, October 26, 2022

¹⁷ Letter to Howard Schultz from the United States Senate Committee on Health, Education, Labor and Pensions, Feb 7, 2023

¹⁸ Letter to Howard Schultz from the United States Senate Committee on Health, Education, Labor and Pensions, Feb 7, 2023

Sincerely,

Starbucks Workers United Members