

Protecting Shareholders and Respecting Rights of ALL Employees

WHEREAS: Included among globally-recognized and ethical human rights standards in free societies are individuals' abilities to make independent decisions about speech (or to not speak), association (or to not associate), and economic negotiation and contract (or to not negotiate and contract).

SUPPORTING STATEMENT: Pressured by antagonistic union organizers, signs indicate that Starbucks Corporation (the "Company") may capitulate to their demands, which threatens the rights of many of the company's employees, and could diminish shareholder returns on investment.

Enthusiasm for organizing among the Company's baristas is limited, which undermines prevailing "Big Labor" and corporate media narratives. For example:

- Workers United, an affiliate of Service Employees International Union, planted activists at various Company restaurants for the purpose of organizing employees, a practice known as "salting."¹ An analysis found that Workers United paid nearly \$2.5 million to such "salts."² One U.S. congresswoman stated, "it once again shows the dishonest lengths that union operatives are willing to go to tilt the playing field in their favor."³
- Having unionized a small fraction of the Company's thousands of locations, Workers United filed hundreds of complaints with its allies at the National Labor Relations Board over alleged "unfair labor practices."⁴
- Baristas at many restaurants have collected signatures from at least 30 percent of their co-workers on petitions to decertify union recognition,⁵ as required by NLRB.⁶ Yet because of suspect complaints pending before the NLRB, decertification votes cannot occur until they have been resolved. This harms employees' speech, association, negotiation and contract rights.

A report concerning Starbucks's adherence to freedom of association and collective bargaining commitments in its Global Human Rights Statement found, in part:⁷

- The Company was unprepared for the large-scale, top-down unionization efforts that emerged in recent years from working condition problems in its Buffalo market;

¹ <https://www.bloomberg.com/news/features/2023-04-03/starbucks-amazon-labor-union-wins-helped-by-undercover-salts>

² <https://laborunionnews.substack.com/p/analysis-workers-united-paid-nearly>

³ <https://nypost.com/2023/05/22/starbucks-union-organizer-kept-her-affiliation-from-congress/>

⁴ <https://www.cnn.com/2022/05/06/starbucks-accused-of-more-than-200-labor-violations-in-nlr-complaint.html>

⁵ <https://www.nlr.gov/about-nlr/rights-we-protect/the-law/employees/decertification-election>

⁶ <https://www.nrtw.org/news/albany-starbucks-decert-03012024/>

⁷ <https://stories.starbucks.com/uploads/2023/12/Abridged-GHRS-Report.pdf>

- “...Unions often count on employers not being prepared and making missteps. Well-trained organizers know well how to recognize and report legal violations, and in some instances can even provoke them...”
- “...the organizing union leverages the administrative procedures available to them to amplify multiple instances of allegations and non-compliance at a small percentage of stores and craft a narrative about the target company...”
- “...The union can, in turn, use the narrative developed through the formal complaints to engage multiple stakeholders to drive publicity and pressure against the target organization.”

The National Bureau of Economic Research has determined that “the average effect of a union win at a workplace is to decrease the market value of the affected business by at least \$40,500 per worker eligible to vote.”⁸

Resolved: Shareholders request the Environmental, Partner and Community Impact Board Committee of the Board of Directors to study the human rights risks to *all* employees, and the devaluation risks to shareholder assets, from the Company’s response to labor organizing efforts. A publicly available report of its findings, compiled at reasonable cost and omitting proprietary or confidential information, is requested by March 31, 2026.

⁸ <https://www.nber.org/digest/may09/long-run-effects-unions-firms>