



Starbucks

Subsidiaries: Teavana

Locations: Washington (HQ)

Industries: Food Beverage and Tobacco

RISK LEVEL:



High Risk

DESCRIPTION:

Starbucks, a coffeehouse chain, fired an employee in 2020 for refusing to wear a Pride t-shirt because it went against her religious beliefs. Starbucks scored a 100 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. By complying with the HRC's controversial demands, Starbucks increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children and provides specific sexual orientation and gender identity-based benefits. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. Starbucks forces employees to undergo multiple ideological trainings and uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. The company provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children. Starbucks discriminates against religious nonprofits and uses the Southern Poverty Law Center (SPLC) to vet charities. Starbucks is a corporate partner of the Human Rights Campaign (HRC) and funds Planned Parenthood. The company provides a benefits package for employees which covers travel/lodging costs for an abortion and is a Ceres Network Member, committed to carbon neutrality by 2040. Starbucks supports the Equality Act. America First Legal filed a letter with the EEOC requesting a civil rights investigation into Starbucks over discriminatory practices in hiring. The company mandated racial bias training for all its employees and its CEO is a member of the Business Roundtable. The company opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces. For these reasons, Starbucks receives a High Risk rating.

Corporate Weaponization

Has denied service to customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. **High Risk**

Starbucks fired an employee in 2020 for refusing to wear a Pride t-shirt because it went against her religious beliefs (1). The company received a score of 100 recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (2)(3).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. **High Risk**

Starbucks HRC CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2).

Employment policies fail to protect against discrimination based on political affiliation/views and/or religion.**High Risk**

Starbucks HRC 2023 CEI rating indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). Starbucks does not provide viewpoint protections for its employees (3). America First Legal filed a letter with the EEOC requesting a civil rights investigation into Starbucks over discriminatory practices in hiring (4)(5).

Corporate Governance and Public Policy**Uses corporate reputation to support ideological causes and/or organizations hostile to freedom of expression. High Risk**

Starbucks reversed its company policy allowing employees to wear Black Lives Matter t-shirts and pins on their uniforms after initially not allowing employees to do so (1). The company signed an open letter in support of the Equality Act and supported revisions to the Voting Rights Act of 1965 in the wake of state election security laws (2)(3). In 2015, the company encouraged its 12,000 baristas to strike up conversations with customers about racism (4)(5). The company's former CEO denounced the 2015 NC bathroom bill requiring citizens to use the restroom of their biological gender and pushed for bathrooms to correspond with gender identity (6)(7)(8). In 2018, Starbucks closed over 8,000 locations to give over 175,000 employees implicit bias training regarding race and gender (9). Starbucks CEO is a member of the Business Roundtable but has not supported ideological initiatives (10). The company is a Ceres Network Member, committed to net zero carbon emissions by 2040 (11)(12)(13). The company's HRC 2023 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (14)(15). By doing so, the company risks dividing employees, alienating customers and harming shareholders.

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. High Risk

Starbucks provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children (1)(2)(3)(4)(5)(6)(7). The company indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (8)(9). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. Starbucks is a bronze partner of the Human Rights Campaign (HRC) and has pledged over \$1 million to BLM-adjacent organizations (10)(11)(12). In 2024, Starbucks Investors approved an executive compensation pay package proposed by management that decreases the DEI component of executive bonuses from 25% to 20% while increasing the portion of the bonus paid for hitting financial targets to 75% (13).

Uses corporate political contributions for ideological, non-business purposes.**High Risk**

Starbucks HRC 2023 CEI rating indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. Starbucks does not operate a PAC at this time and has not lobbied for ideological purposes (3)(4).

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