Starbucks Shareholder Meeting - Proposal #4 Statement Justin Danhof, Esq., General Counsel and Free Enterprise Project Director National Center for Public Policy Research, March 18, 2020

I'm Justin Danhof of the National Center for Public Policy Research and I move Proposal #4, which seeks to increase diversity within the Starbucks community.

Presently, Starbucks's Equal Employment Opportunity Policy states¹ that "[a]ll partners and applicants will be treated fairly, without regard to race, color, religion, sex, national origin, age, physical or mental disability, sexual orientation, marital status, military or veteran status, gender identity and expression, genetic information, or any other factor protected by law."

We filed our proposal and made a very simple request – to extend that policy to include protections against viewpoint discrimination. All across corporate America, the political left is engaged in a fierce cancel culture that seeks to root out conservatives.

As we noted in our proposal, companies such as Facebook and Google routinely fire conservative employees when they speak about their values. At the 2019 annual meeting of Apple shareholders, an audience member told company CEO Tim Cook about her close friend who works at Apple and lives in fear of retribution every single day because she happens to be a conservative. What she described was the textbook definition of a hostile work environment. Starbucks has also refused requests to increase the viewpoint diversity of its board. This signals to employees that viewpoint discrimination is condoned if not encouraged.

The leading cancel-culture group, the Southern Poverty Law Center, has made veiled threats² against any corporation that hires former Trump Administration officials.

And former Starbucks CEO Howard Schultz once berated³ a shareholder for his belief in adherence to traditional marriage – a view held by billions of Christians, Jews and Muslims worldwide.

When I met with Starbucks executives regarding this proposal, I relayed concerns that many conservatives and religious-minded Americans have had with the company over the span of many years. I noted that in light of the company's radical left-wing stances on the environment, immigration, and social justice issues, many conservatives avoid consuming Starbucks. Furthermore, many conservative and religious Americans would never consider working for Starbucks. This means that the company's left-wing policy stances are limiting the company's potential workforce.

Our proposal offers Starbucks a means to alleviate this concern. By signaling to conservatives that the company makes employment decisions free from viewpoint biases, Starbucks would

¹ https://globalassets.starbucks.com/assets/64d3d446645142f7ba96fda3eda123c8.pdf

² https://www.foxnews.com/politics/immigration-civil-rights-groups-pressure-fortune-500-companies-to-blacklist-former-trump-officials

³ https://www.forbes.com/sites/frederickallen/2013/03/22/howard-schultz-to-anti-gay-marriage-starbucks-shareholder-you-can-sell-your-shares/#6023349643fa

increase the number of Americans willing both to buy Starbucks products and to consider working for the company.

Unfortunately, my concerns, and my offer to help the company improve its outreach to conservatives, fell on deaf ears. So we are calling on Starbucks investors to do what its leaders wouldn't do.

We believe that diverse workforces can think more critically and deliver greater results. That's a win for investors and a win for true diversity. Please join me in voting yes on Proposal #4. Thank you.

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