

June 14. 2023

VIA EMAIL Lynne Fox, International President Workers United, an SEIU Affiliate 22 South 22nd Street Philadelphia, PA 19103

RE: Workers United's Willfully and Recklessly False Statements and Blatant Fear Mongering Among the LGBTQIA2+ Community

Dear Ms. Fox,

This responds to your May 31, 2023 letter which states it "has come to [Workers United's] attention Starbucks has implemented a change in health care benefits for employees at represented stores concerning gender affirming care."

At Starbucks, we have a rich history of advocacy and support for our LGBTQIA2+ partners and customers. We've worked for more than four decades to create a welcoming environment for the LGBTQIA2+ community through inclusive policies, industry leading same-sex and gender affirming care benefits, advocacy efforts and support for community causes. Indeed, since 2013, Starbucks health insurance plans have included coverage for gender-affirming surgery. In 2018, Starbucks expanded health insurance plan coverage to include procedures that were previously considered cosmetic — including hair removal, facial feminization and hair transplants, among others.

This support has not changed, regardless of your false claims and attempts to divide the inclusive communities that Starbucks supports. It is unfortunate that Workers United continues to knowingly and recklessly spread inaccurate information seemingly to mislead partners into believing they lost health benefits that could be critical to their mental and physical well-being. The Company's decadelong provision of same-sex and gender affirming care to Starbucks partners has not changed. All partners enrolled in Starbucks health benefits have access to industry-leading gender-affirming care benefits regardless of organizing activity or representation status.

Since instituting these benefits as part of this Company's industry-leading, comprehensive health care offerings, gender affirming care has remained part of either the Company's core health insurance plan or its additional wrap plan offered to partners. Whether specific same-sex and gender affirming care, services, and procedures are covered as part of the Company's core health insurance plan or its additional wrap plan depends upon the state law applicable to the Company's plans and, more specifically, whether the care, services, and procedures are required to be part of Starbucks core health insurance plan offerings. The structure of the Company's same-sex and gender affirming care benefits has shifted multiple times over this last decade, after 2018 with the shift being dictated by changes to state law. This is true with respect to recent changes to state law, which require that certain same-sex and gender affirming care, services, and procedures be covered by the Company's core plan. However, in that time, the Company has not "changed" its benefits

plans or procedures, or limited access to the care, services, and procedures available to all enrolled and benefits eligible partners. As such, Starbucks has not made any change to the same-sex and gender affirming care benefits provided to partners, or other terms and conditions of employment offered to Store partners in any certified store that would trigger a decisional or effects bargaining obligation. Indeed, any alleged change would be consistent with the maintenance of dynamic status quo.

On a related and timely note, I am also writing to express my deep and urgent concern about the blatant fear mongering campaign launched recently by Workers United, especially the knowingly and recklessly false statements that Starbucks corporate had "banned" PRIDE related décor in all stores. **NOTHING** could be further from the truth. It is disgraceful that Workers United would take a month of celebration, reflection, self-esteem, self-worth, and yes – PRIDE – that means so much to so many of our 235,000 partners across the country, and use it to fear monger and sow division and hate.

The TRUE facts are these:

- We unwaveringly support the LGBTQIA2+ community. There has been **no change** to any corporate policy on this matter and we continue to empower retail leaders to celebrate with their communities including for U.S. Pride month in June.
- For Starbucks, U.S. Pride Month in June is just **one** of the moments we support and celebrate our LGBTQIA2+ partners and the community.
- Starbucks has a history that includes more than four decades of recognizing and celebrating our diverse partners and customers including year-round support for the LGBTQIA2+ community.

Workers United can also find a timeline that outlines the company's longstanding support for our LGBTQIA2+ partners, here, that predates any involvement from your organization. A few highlights:

- **1988:** Starbucks extends full health benefits to eligible full- and part-time partners, including coverage for same-sex domestic partnerships.
- 2007: Starbucks issues Workplace Gender Transition Guidelines to support partners who are transgender or considering transitioning to promote understanding of fair and equitable treatment of transgender and gender-diverse partners.
- 2013: Starbucks supports transgender partners by adding coverage of gender reassignment surgery to the company's health benefits.
- 2015: Starbucks updates its technology systems to ensure that documentation in stores reflect a partner's "known as" name or nickname that is consistent with their gender identity or expression.
- 2018: Starbucks broadens its health insurance options for transgender partners to not only include gender reassignment surgery (which had been covered since 2013), but also a host of procedures that were previously considered cosmetic, such as breast reduction or augmentation surgery, facial feminization, hair transplants and more.

Starbucks partnered with the World Professional Association for Transgender Health (WPATH) to create a transgender medical policy that is inclusive of medical services that most companies have historically considered cosmetic. Anyone who is eligible and enrolled in Starbucks health benefits has access to these benefits.

It is willfully and recklessly false to claim that Starbucks is anything other than a fully supportive ally of this community that makes up a significant part of our workforce. This is shameful behavior and I'm calling on you to **demand** that WU representatives cease this false, harmful, and despicable narrative. We can have many different points of view about unions, but we should **ALL** have the same vision for how all people, including LGBTQIA2+ people, should be treated – with respect, support and allyship. Using this month of recognition and pride as a means to sow division in an attempt to gin up union support is none of those things.

With respect to the requests for information included in your May 31, 2023 letter, Starbucks objects to your attempt to request information without identifying the specific bargaining unit for which you request this information. These requests yet another transparent attempt by you and Workers United to circumvent the single-store certifications and to demand "national" bargaining. Starbucks again rejects any attempt by Workers United to bargain on a national scale. Single-store bargaining is the structure that Workers United sought, and this is the structure that the NLRB determined to be "appropriate" for purposes of collective bargaining.

Notwithstanding the foregoing, Starbucks acknowledges receipt of your requests for information and will respond in the near future.

Sincerely.

May Jensen

vice president, partner resources