



Starbucks held its 2023 Annual General Meeting (AGM) on March 23. This meeting had a particular focus on issues related to environmental, social, and governance (ESG) topics, and is therefore an interesting case study into the status of ESG proposals at large-cap US companies.

According to ZMH’s AI-powered [Investor Engagement Dashboard](#), that includes shareholder proposals for S&P 500 companies, only one proposal was approved at the meeting: assessment of worker rights commitments.




On pages 2 and 3, we take a closer look at how specific institutional investors voted in this meeting. Even though many investors could have the same vote outcome, the rationale behind their vote can vary greatly from fund to fund. This meeting specifically **showcased the different priorities of investors**, in particular, the differences in their voting rationale.

Proposal Title	Proponent	% Support	Outcome
Assessment of worker rights commitments	Trillium ESG Global Equity Fund, New York City Comptroller, additional co-sponsors	52.30%	PASS
CEO succession planning policy amendment	SOC Investment Group and Leah Martin	20.99%	FAIL
Report on plant-based milk pricing	People for the Ethical Treatment of Animals (PETA)	5.30%	FAIL
Annual report on company operations in China	National Legal and Policy Center (NLPC)	4.50%	FAIL
Creation of board committee on corporate sustainability	National Center for Public Policy Research (NCPPR)	2.69%	FAIL

ESG Case Study: Starbucks Corp

Worker's Rights







Proposal	Investor	Vote	Rationale
Item #8: Commission Third Party Assessment of Company's Adherence to its Stated Commitment to Workers' Freedom of Association and Collective Bargaining Rights	BlackRock	AGAINST	Proposal is not in shareholders' best interests
	Vanguard	AGAINST	Company already has commitment to engage independent third parties to conduct a human rights impact assessment, which the company communicated is inclusive of workers' rights. This, therefore, adequately mitigates this risk
		FOR	Although Company has already committed to human rights impact assessment, support for proposal is warranted in light of the ongoing controversies around the Company's anti-unionization activities and to further encourage that the Company fulfills its commitment
		FOR	No rationale provided
		FOR	Request for additional reporting is reasonable
	WELLINGTON MANAGEMENT	FOR	Enhanced disclosure in the interest of shareholders

Outcome: Proposal Approved by Shareholders with 52.3% Support

ESG Case Study: Starbucks Corp

CEO Succession Plan



Proposal	Investor	Vote	Rationale
Item #6: Amend CEO Succession Planning Policy to Include Development and Annual Evaluation of Position Qualifications, Procedures to Identify and Develop Internal Candidates, a Formal Assessment Process to Evaluate Progress, Among Other Items	BlackRock	AGAINST	Proposal is not in shareholders' best interests
		AGAINST	No rationale provided
		AGAINST	No rationale provided
		FOR	Although Starbucks amended its Corporate Governance Principles and Practices...the Company admits the existing gap of the “anticipated and emergency succession planning” to be implemented on an ongoing basis. Given that this gap is partially noted through the proponent’s request, support is warranted to encourage further action be taken by the Company.
		FOR	NB had previously engaged with Starbucks on the topic of strengthening succession policies and practices multiple times. NB believes this is particularly pivotal at Starbucks given the scale and complexity of the company’s operations and ongoing involvement of a founder.
	WELLINGTON MANAGEMENT®	FOR	Current practice was insufficient

Outcome: Proposal Not Approved by Shareholders with 20.99% Support

Having difficulty discerning a trend? You’re not alone! There is often a lack of consistency amongst institutional investors, even when voting on the same proposals. If you are gearing up for an investor engagement, ZMH’s Investor Engagement Dashboard tool offers insights into investor voting records and key focus areas.



Understand How ESG Weighs into Investor Considerations to Make Your Next Engagement More Successful.

[ESG Roadshows](#)

[Data-Driven ESG Strategy](#)

What ZMH Can Do for You

*Our Proprietary **ESG Engagement Dashboard™** allows you to leverage technology and data to optimize your shareholder interactions.*

ZMH Advisors LLC. is a technology-based shareholder and ESG advisory firm. We combine two decades of corporate governance and investor engagement experience with next-gen data analytics to deliver customized solutions for clients ranging from pre-IPO to S&P 500 companies. Our data-driven approach is powered by a proprietary **ESG Engagement Dashboard™**, which provides unique insights on investors with \$50T AUM.

Know what could be asked during an engagement

Stay up to date on investor's ESG priorities

Access to 1000+ case studies & detailed analysis

Understand how investors will vote on your ballot

Gain access to 7M NPX voting records & governance policies

Contact information & key players at each firm

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